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NRA NEWS

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NRA MEETINGS

Seminars

Basic Foodservice Courses

Basic Supervision in Foodservice

2/26	Covington, KY
3/5	Kansas City, MO
4/9	Wilmington, DE

Dining Room Management

2/12	Dallas, TX
2/13	Salt Lake City, UT
2/19	Los Angeles, CA
3/13	Cherry Hill, NJ
3/20	Reston, VA
4/3	Des Moines, IA

Increasing Foodservice Productivity

2/18	Los Angeles, CA

Kitchen Management

2/13	Springfield, VA
3/5	Allentown, PA
3/7	Providence, RI
3/19	Rockville, MD
3/21	Rochester, NY
4/2	Burlington, VT
4/4	Manchester, NH
4/9	Atlanta, GA
4/10	Houston, TX

Opening a Restaurant: Before You Start Cooking . . .

2/26	Rochester, NY
3/12	Indianapolis, IN

People-Power and Profits (Replaces Controlling Labor Costs)

3/27	Oklahoma City, OK
4/10	Cleveland, OH

Tools for Training

2/11	Dallas, TX
2/26	Springfield, MA
2/28	Baltimore, MD
3/19	Knoxville, TN
3/21	Louisville, KY

Food Production Courses

American Regional Cookery

2/5	Atlanta, GA

The Pantry: Prep for Profit

2/18	Los Angeles, CA
2/20	Seattle, WA

Perfecting Your Culinary Skills

2/19	Los Angeles, CA
2/21	Chicago, IL
3/19	Portland, OR
3/21	Seattle, WA
4/2	St. Louis, MO

Simplified Baking Workshop

2/12	Dallas, TX
3/26	Wichita, KS
3/28	Minneapolis, MN

Soups and Sauces

2/11	Dallas, TX
2/13	Oklahoma City, OK
3/12	Meadowlands, NJ
3/14	Detroit, MI

Foodservice Management Courses

Creative Merchandising Techniques

2/27	Las Vegas, NV
3/6	New Orleans, LA
3/13	Concord, NH

Food Cost Management

2/19	Columbus, OH
2/21	Long Island, NY
3/25	Toronto, Ontario, Canada
3/27	Edmonton, Alberta, Canada
4/9	Lancaster, PA
4/11	Portland, ME

Hospitality Workshop

2/6–7	**Full Service** Nashville, TN

Location! Location! Location! How to Successfully Negotiate and Finance Your New Operation

3/6–7	Dallas, TX
4/1–2	San Francisco, CA

Menu Development

3/10	Washington, DC

Off-Premise Catering

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3/25–26	Philadelphia, PA

Operational Analysis

2/26–27	Las Vegas, NV

Planning & Implementing Restaurant Marketing Strategy

3/19–20	Boston, MA

Restaurant Design & Facilities Planning

2/18–19	Los Angeles, CA
3/4–5	Tampa, FL

Conferences

3/24–27	**National Conference on Computers in Foodservice** Las Vegas, NV

Please note that registration fees have been reduced for the Basic Foodservice Courses.

For more information, contact:
NRA Education Programs
311 First Street, N.W.
Washington, DC 20001
800-424-5156 or (202) 638-6100

STUDY GROUP MEETINGS

Labor Relations	
February 5–6	Orlando
Market Research	
April 10–12	Washington, DC
Financial Officers	
April 10–12	Palm Springs
Tax Executives	
April 10–12	Palm Springs
EDP	
April 16–19	San Diego
Internal Audit	
April 30–May 3	Lake Tahoe
Foodservice Purchasing Managers	
May 15–17	Chicago
MAECO	
May 15–17	Chicago
Marketing Executives	
May 15–17	Chicago

For more information on specific study groups, contact Philip Kralovec, (312) 853-2525

NRA NEWS

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PRESIDENT'S REPORT

Harris O. Machus
President and Owner
Harris O. Machus Enterprises, Inc.
Birmingham, Michigan

NRA attacks deduction caps

The new year brings a host of opportunities and challenges for NRA members.

For example, January brought the 99th Congress to Washington, DC. Certain to come up in the months ahead is the Treasury department's tax simplification proposal—which among other things, calls for limiting the deduction on business marketing meals.

In anticipation of this, in October 1984, NRA commissioned Chase Econometrics, a highly respected economic research firm, to study the effects of limiting business meal deductions on our industry and on the national economy. This study shows that the proposed limitation of the business meal deduction would cause a considerable decrease in restaurant sales. Moreover, 140,000 people could lose their jobs during the first year after enactment.

The study also shows that limiting the business meal deduction would actually deprive local, state and federal treasuries of significant amounts of revenue.

How is it possible to eliminate a tax deduction and still lose tax revenue? The answer has to do with the loss of sales and the loss of jobs in our industry.

True, limiting the deduction would mean increased revenue from corporate income tax, but loss of restaurant sales and jobs would mean reduced revenues from sales tax, personal income tax and Social Security tax. It would also mean greater unemployment compensation and welfare payments. These losses, in aggregate, would exceed the gains.

In fact, if the proposal were to become law, the net loss to local, state and federal treasuries would amount to $1.1 billion during the first year alone.

At a time when the federal deficit is a primary concern, it would be counterproductive to change the tax law in a manner that significantly reduces tax revenues and at the same time seriously disrupts an industry which accounts for five percent of the GNP.

A delegation of NRA Directors and staff presented these findings to the Under-Secretary for Tax Policy at the Treasury department on January 9th. NRA legislative representatives are also informing congressmen on Capitol Hill. We need your help. If you have not already done so, please write to President Reagan stating your opposition to this deductibility limit.

NRA voices objections

NRA continues to pursue other legislative and regulatory issues of concern to the industry. NRA staff met with Department of Health and Human Services (HHS) officials to reiterate NRA's objection to mandatory sulfite labeling on menus in foodservice outlets. The Food and Drug Administration (FDA), which is an HHS agency, has not yet announced whether the FASEB report on sulfites will contain such a recommendation.

Meeting in Washington, the Labor Issues Study Group, a committee that advises the NRA Board on employee-related issues, reviewed the serious problems posed by the FUTA provision passed in the 1984 Tax Bill. This provision, which calls for employers to pay federal unemployment tax on all reported tip income, is totally unacceptable to the foodservice industry. NRA is undertaking a campaign for its repeal.

NRA focuses on computers

A notice has just been mailed to you concerning NRA's National Conference on Computers in Foodservice. This three-day conference, to be held in Las Vegas on March 24 through 27, will feature demonstrations of 16 different computer systems and presentations, covering their application to foodservice operations. During those three days you will learn what equipment and software are available and which system is most appropriate for your operation.

Computerization can mean more efficient food and labor cost control, scheduling of employee hours and menu price analysis. It allows you to track customer counts and check averages. If the time has come for you to computerize your operation, the NRA Conference on Computers in Foodservice will give you all the background you need to make the right decisions.

NRA reports on food prices

The next report in NRA's new *Current Issues Report* series will be mailed to each member company shortly. It is a comprehensive study of the food supply outlook for 1985. In general, wholesale food prices will remain relatively stable this year, but due to variations in supply, the price of a few commodities could rise or fall dramatically. You can use this new publication for long-range menu planning.

NRA publicizes industry efforts

Part of NRA's charge is to publicize the industry through the national media. Recent press releases and press conferences have focused media attention on the industry's attempt to help reduce drunk driving. More than 1,300 articles on this subject have appeared in daily newspapers since March 1984, when the association adopted its Alcohol Awareness program. These articles describe both the NRA server training program, now being presented by the state restaurant associations, and the introduction of in-house programs and practices which help reduce DWI. This year your NRA will place approximately 6,000 articles relating to the foodservice industry.

During the past month, 86 members joined NRA. I welcome you to the most prestigious foodservice trade association in the world. Your participation in NRA will make your business grow and make the association more effective in its endeavors on your behalf. We're glad to have you with us.

Sincerely,

Harris

Harris O. Machus
President & Chairman of the Board

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Computers 25 Personal computers can help you run your operation more efficiently—if you know what your needs are. This checklist will help you identify your priorities.

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SHORT ORDERS

Great Menu Contest 1985 is under way

Foodservice operators have until February 28, 1985 to enter NRA's Great Menu Contest 1985. Winning menus become models for the foodservice industry. They are displayed at the NRA Restaurant, Hotel-Motel Show in Chicago and in a book of menu reproductions. Winners also receive a plaque for their establishment and stickers to place on their menus to identify them as winners.

This year's entries are to be submitted by owners and managers of foodservice operations under one of the following categories:

1. Restaurant: average check under $5 per person
2. Restaurant: average check $5 to $10 per person
3. Restaurant: average check over $10 per person
4. Institutional foodservice
5. Banquet/catering
6. Specialty (dessert, wine, alcoholic beverage, children's, room service menus).

"Average check per person" indicates payment for a full meal as customarily ordered.

Although most menus will fit into these categories, those that do not can be submitted for honorable mention in one of three "quality" categories:

7. Most imaginative
8. Best design or
9. Greatest merchandising power.

These terms are also criteria for the general judging. Imaginative menus show originality in design, in choice, balance and naming of items and in the coordination of these elements for a novel and striking effect. Well-designed menus demonstrate effective layout, use of color, illustrations, typeface and paper, which combine to present a clean, readable document.

Menus which, through graphic layout, description and appropriate visual strategies draw attention to featured items and entice customers to try additional dishes, will be judged to demonstrate effective merchandising power.

The entry fee for an NRA member is $10 per menu; for non-NRA members the entry fee is $110 per menu. One hundred dollars of this non-member fee can be applied to NRA membership dues. Entries submitted by menu design companies will not be accepted.

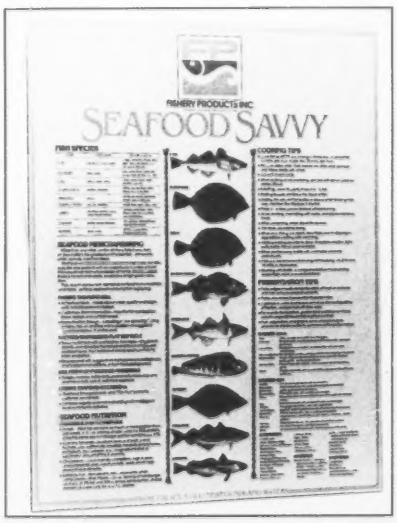
For more information or an entry form, contact: NRA Communications Department, (800)424-5156 or (202)638-6100.

Free seafood poster

Fishery Products, Inc. has created a seafood reference poster to help foodservice operators merchandise their products.

Called Seafood Savvy, this four-color poster illustrates and describes nine species of ground fish. The poster also lists cooking and presentation tips and provides information about seafood nutrition and seafood merchandising.

To receive a free Seafood Savvy poster write Foodservice Marketing Manager, Fishery Products, Inc., 18 Electronics Ave., Danvers, MA 01923.



Fishery Products, Inc. offers a *free* "Seafood Savvy" poster to operators.

International conference for hotel/ catering industry

Personal service in the age of technology is the theme for the 1985 International Training and Personnel Conference for the Hotel and Catering Industry. The three-day conference begins April 2, 1985 at the Cafe Royal, London.

The conference will analyze how to best achieve the proper balance between new technology and personalized customer service. There will be a practical focus and much opportunity to exchange views and experiences.

On Wednesday April 3, there will be a special afternoon session so participants can present papers. These papers must be presented to the conference organizers by mid-February.

For further information and a copy of the conference brochure, contact Philip Moon, Hotel & Catering Industry Training Board, P.O. Box 18, Wembley, Middlesex, HA9 7AP, Great Britain.

Wesson wins first sommelier contest

Twenty-eight-year-old Joshua Wesson took top honors in the First French Wine Sommelier Contest in the United States. Currently sommelier at Huberts in New York City.

There were two runners-up: in second place, Anders R. Westboe, manager of Cincinnati's University Club, and placing third, Mark Hightower, owner of Flagon's Wine Bar in New Orleans.

The contest was conceived by SOPEXA, Paris (the home office of Food and Wines from France) and has been successfully organized for the past several years in Belgium, Japan, as well as in France. Launched for the first time in the U.S. six months ago, the initial announcement drew more than 450 responses from sommeliers of hotels and restaurants throughout this country.

WASHINGTON REPORT

Treasury plan spurs tax reform debate

When the Treasury Department released its tax simplification plan in late November, a national debate began over tax reform. The proposals to completely overhaul the tax code are sure to be a focal point of congressional activity this year.

Several of the provisions in the Treasury's plan would specifically affect foodservice operators, particularly a proposed cap on business entertainment meal deductions. NRA has notified the White House that it opposes any limits on the business meal deduction (see related story in this column).

Treasury's plan is similar to several popular measures offered by those in Congress, chiefly the "FAIR" tax proposed by Sen. Bill Bradley (D-NJ) and U.S. Rep. Richard Gephardt (D-MO) and the "FAST" tax introduced by Sen. Robert Kasten (R-WI) and Rep. Jack Kemp (R-NY).

Most deductions would be eliminated . . .

Like these congressional plans, Treasury's proposal would expand the tax base by eliminating most deductions and would lower individual tax rates. Specifically, the current code's tax brackets of 11 to 50 percent would be collapsed into just three categories—15, 25 and 35 percent—and personal tax exemptions would almost double to $2,000.

In addition, the Treasury plan would reduce the top corporate tax rate from 46 to 33 percent, and it would allow corporations to deduct half of all dividends paid to shareholders.

In exchange for reductions in the personal and corporate income tax rates, Treasury would eliminate hundreds of deductions and credits, including

- the investment tax credit (ITC) and accelerated depreciation system (ACRS) (write-off periods would be stretched out to reflect real economic value, and they would be indexed for inflation)
- the deduction for state and local taxes
- the targeted jobs tax credit (TJTC), energy credits and the expensing rule covering the cost of removing architectural barriers to the elderly and handicapped
- most entertainment expense deductions (club dues, tickets for sporting events, and other similar costs, but not business meals) and
- the tax-free status of most employer-provided fringe benefits, including life insurance and death benefits, legal services, child care, educational assistance and "cafeteria" plans. The income tax exclusion for health care benefits would be limited to $70 a month for individuals and $175 a month for families.

Also, capital gains would be taxed at an individual's regular rate, but the asset's basis would be adjusted for inflation.

Charitable contributions would remain deductible, but only the amount exceeding two percent of a person's adjusted gross income.

Deductions for mortgage interest on principal residences would be preserved, but deductions on other consumer interest payments would be limited to $5,000.

At a recent meeting of the NRA Action Task Force in Washington Sen. Bill Bradley (D-NJ) explains how his tax reform bill, the FAIR Tax, would work.

Treasury's plan is said to be revenue neutral—overall it raises about as many tax dollars as the current system. Some shifts in the tax burden would occur, but Treasury says most individuals would find themselves paying less income tax under the proposed system.

Greater tax liability for business . . .

But business, across-the-board, would have a greater tax liability under the plan, primarily because in recent years various credits, allowances and the ACRS have kept business' average effective tax rate at just 16 percent.

Those sectors said to be hurt the most by the proposal are the highly-capitalized "smokestack industries", such as steel and heavy manufacturing, while the labor-intensive service and high-tech industries are expected to pay fewer taxes under the Treasury plan.

Treasury's goal in proposing specific changes was to stop the tax code from influencing economic decisionmaking. The architects of the plan felt the code's purpose should be simply to raise revenue and not, for example, to encourage investment in certain types of property by providing tax breaks. Thus, all but the most basic deductions have been eliminated in favor of lower tax rates.

Judging from the response of congressional leaders, however, the Treasury's tax simplification plan may not get far in Congress.

Congressional opposition . . .

Both House Ways and Means Chairman Dan Rostenkowski (D-IL) and Senate Finance Committee Chairman Bob Packwood (R-OR) are opposed to the plan. They say deficit reduction legislation must be considered first. Senate Majority Leader Bob Dole (R-KS) also has reservations about tax simplification. He, too, believes the em-

WE'RE COUNTING ON YOUR OPINION

NRA's monthly membership poll tracks your views on important national issues affecting the foodservice industry.

Your reponses to these questions will help NRA represent the industry in Washington.

Question 1. Increase the tip credit?

Since 1966, a portion of tip income has been considered wages for purposes of the federal minimum wage law. Congress reasoned that tips, although not provided directly by the employer, are remuneration and could be counted toward an employer's minimum wage obligations. Congress agreed to a wage credit of up to 50 percent, provided an employer could demonstrate that an employee's tip income was equal to or exceeded the value of credit taken. Legislation enacted in 1977 gradually reduced the maximum federal tip credit to the current level of 40 percent.

Under the law, an employer must pay federal unemployment (FUTA) taxes and make Social Security (FICA) contributions on tip income but *only* on that portion used to satisfy the federal minimum wage.

Beginning in 1986, employers will be required to pay FUTA taxes on *all* tip income that is declared, regardless of the amount. This departure from current policy was brought about by the 1984 Tax Act and may indicate that Congress intends to make foodservice employers liable for payroll taxes (including FICA) on all reported tips. If that is the case, many in the industry believe the tip credit should be restored to its 50 percent level or raised even higher.

Pros—If tip income is treated as employer-paid wages for tax purposes, it should also be treated as employer-paid wages for minimum wage purposes. As employers' tax obligations increase, the tip credit should be raised to offset the higher tax burden.

Tipped employees now receive an average income well above the minimum wage. Employers should no longer be required to pay 60 percent of the minimum.

The tip credit should be restored to at least 50 percent to reflect the employer's contribution to tipping.

Cons—A drive to raise the tip credit may trigger an increase in the minimum wage itself. Because some operators pay their staffs more than the minimum for tipped employees, raising the tip credit would prove to be a costly trade-off.

Raising the tip credit would mean a lower cash wage for tipped employees—in effect, a pay cut.

With a higher tip credit, an employee's cash wages are apt to be exhausted by employer withholding.

Should the tip credit be raised to compensate for higher payroll taxes?

Question 2. Continue to use sulfites?

Sulfiting agents—used as a preservative in processed foods and applied as a freshener on raw foods—have come under investigation recently as mounting evidence indicates they trigger an allergic reaction in certain people, particularly asthmatics. Reported reactions range from hives to coma and even death when foods treated with sulfites have been eaten.

Sulfite-sensitive individuals have reacted to treated foods in restaurants. In some cases, the restaurant had added the sulfites to such foods as fresh fruits or salads; in others, the sulfite had been added by a wholesaler prior to delivery to the restaurant.

Consumer groups have requested that the Food and Drug Administration (FDA) ban these chemicals, but thus far the agency has not moved to stop their use. It has, however, commissioned a review of sulfites by an outside scientific panel. In a tentative report published last October, the panel recommended that restaurants be required to label menus or post signs if they serve foods containing sulfites. Although FDA has not embraced the report, it has amended its state model food code to include retail-level labeling when sulfites are used on fresh foods. Only a few states have adopted these revisions.

Pros—Because only a small number of people are adversely affected by sulfites and because there is no satisfactory substitute for many of its uses, a ban of all uses of sulfites would be impractical. Warning labels or signs notifying the public of the presence of sulfites is one solution. This approach would enable affected individuals to avoid sulfite-treated foods and still allow food processors and restaurants to use sulfites.

Cons—Posting signs or menu warnings would frighten customers who have no need for concern and would supply insufficient information to those who should be concerned. Moreover, accurate labeling would be impossible, for often restaurateurs have no way of knowing if foods have been treated prior to delivery to their establishments. Warning labels for sulfites also may lead to the labeling of other additives—soon whole lists of additives may appear on menus, thus lessening the impact of warnings.

If FDA were to make labeling mandatory, would you use sulfites in your restaurant?

Please respond to the above questions, using the attached postage-paid card.

phasis this year should be on deficit reduction.

Business, labor and community groups have not warmed to the plan either. In an effort to be fair and equitable to all, Treasury's proposal steps on almost every industry's toes, and many powerful lobbying organizations have indicated that they will fight to preserve tax preferences that benefit their constituents.

Unless Treasury's plan is substantially altered, many say it hasn't a chance of passing. Even the White House has kept its distance from the proposal, which several aides have said would alienate traditional Republican allies.

—Jay Morris

New bill increases employer involvement in vocational training

Thanks to a $1 billion vocational education bill signed into law on Oct. 19, 1984, business men and women will have a say in how federal funds are spent in pre-job training.

The new program will tie in with the federal government's year-old Job Training Partnership Act (JTPA), and like JTPA, will involve employers to an extent never before possible under old programs.

The new law requires that a majority of the members on state vocational education councils—and the chairman—come from the private sector. Council members will be appointed by the governor or state board of education and will determine how federal funds are spent.

In addition, technical committees will identify skills and competencies needed in priority occupational areas. These committees will be composed of both employer and labor representatives.

Federal funds to the states will be divided into two parts:

(1) 57 percent must be spent on increasing access to vocational education for persons with special education and training needs, such as economically disadvantaged students, the handicapped, displaced homemakers and single parents and

(2) 43 percent must be spent expanding and improving programs to meet labor market needs.

For further information regarding the new law, contact your state director of vocational education or the National Alliance of Business, 1015 15th Street, N.W., Washington, DC 20005, (202) 457-0040.

NRA surveys tax executives on tax simplification

According to a survey of NRA's tax executive study group, chief financial officers of foodservice companies favor some kinds of tax reform, including proposals found in Treasury's tax simplification plan. Most, however, are opposed to various plans designed to raise new revenue.

The group overwhelmingly opposed the idea of a value-added tax (VAT) as a means of raising new revenue, even if food purchased in restaurants was exempted from the tax.

The majority also opposed an energy excise tax as an additional revenue source, and most did not like a flat 10 percent surtax on corporate income. They also did not like a national sales tax.

If the maximum tax rate for corporations were lowered to 30 percent, a majority of respondents said they could support elimination of the investment tax credit (ITC) and accelerated depreciation (ACRS). But the majority opposed as a trade-off elimination of the deduction for state and local taxes and the capital gains exclusion.

The group was evenly divided on interest expense deductions. About as many were for as against eliminating interest deductions other than for home mortgages (if maximum individual tax rates were lowered to 30 percent).

In addition, most surveyed said they favor giving corporations a deduction for dividend payments to stockholders—in effect, eliminating double taxation of corporate income.

NRA opposes capping business meal deduction

The Treasury Department's tax simplification plan, included a proposed cap on the business entertainment meal deduction of $10 per person for breakfast, $15 for lunch and $25 for dinner. NRA has asked President Reagan to drop the provision.

Sales tax and tips are included in these proposed caps, and 50 percent of any meal cost exceeding its cap would be deductible during a two-year, phase-in period (Jan. 1, 1986 through Dec. 31, 1987).

Treasury estimates that $1.43 billion could be saved by capping the business meal deduction and eliminating most deductions for other entertainment expenses, such as tickets to sporting events and club dues.

In a Dec. 5 letter to the President, signed by NRA Chairman and President Harris O. Machus, the association outlined its reasons for "unequivocally" opposing limits on the business meal deduction.

Many of these reasons are based on a study conducted for NRA by Chase Econometrics.

The study found that limiting the deduction would

- force the closing of some nationally-acclaimed table-service restaurants
- reduce the level of sales of many restaurants, with an adverse ripple effect on federal and state income tax revenue and state and local sales tax revenue and
- disrupt employment in affected restaurants, leading to increased state unemployment compensation and possibly increased welfare payments to dislocated workers.

Overall, Chase predicts the net revenue loss to the federal, state and local treasuries would be $1.1 billion in 1986 and $1.7 billion in 1987.

NRA also believes the proposed cap runs counter

to the stated goals of Treasury's proposal—to simplify the code and to make economic considerations rather than tax considerations the basis of business decision-making.

"The decisions made by the business community with respect to expending resources for economic growth should be made free of government intervention and arbitrary limits," Machus said. "Government intrusion into this process through the insertion of these constraining limits could stifle business growth and give rise to questionable practices to circumvent the imposed limits."

Machus also made the point that the proposed cap neither takes into account regional price differences nor indexes for inflation.

NRA encourages members to write President Reagan to express opposition to the Treasury's proposed business meal deduction cap. The White House has said it welcomes comments from the business community on the plan. Any modifications to the plan will depend, to a great extent, on public input.

WRITE TO: The President, The White House, Washington, DC 20500. Send copies of your letter to your congressional representatives and senators. Please copy NRA as well.

NRA testifies against sulfite labeling

NRA testified against sulfite labeling in restaurants before an ad hoc scientific review panel. The panel, composed of experimental biologists, invited responses to its preliminary study on sulfites, released in October. The Food and Drug Administration (FDA) commissioned the study to examine the Generally Recognized as Safe (GRAS) status of sulfiting agents.

Labeling of sulfite-treated foods at the retail level was one of the recommendations made by the report. Reiterating the position it had expressed in a letter to FDA, NRA argued that restaurants should not be required to label menus or post signs when sulfiting agents have been added to foods.

Often, NRA noted, restaurateurs have no way of knowing if sulfites have been added to foods prior to delivery to the restaurant. Labeling would not only be confusing but could also mislead restaurant customers.

NRA proposed that, instead, FDA adopt a targeted, partial ban to combat the hazards caused by sulfites. This ban would be aimed at the application of sulfites to fresh salad ingredients and pre-cut potatoes at both the retail and wholesale distribution levels.

If FDA determines that sulfites are a health hazard to a significant number of people, NRA argued, the agency should remove from the GRAS list those sulfite uses found to be hazardous.

NRA was not alone in rejecting the review panel's recommendation that sulfite labeling be required in restaurants. The Center for Science in the Public Interest (CSPI) joined NRA in terming labeling ineffective. Michael Jacobson of CSPI noted that "labeling cannot adequately protect the public" and recommended that FDA ban all uses of sulfites that are not essential to health.

The Scripps Clinic and Research Foundation, represented by Ronald Simon, also termed labeling impractical. The clinic, which has done in-depth testing of sulfite-sensitive individuals, believes the life-threatening nature of sulfites to be serious enough to warrant some sort of ban.

Also testifying before the panel were representatives from the Grocery Manufacturers of America and the National Food Processors Association. These two groups said that sulfites are not a hazard to most people and therefore should not be banned without additional studies. Both groups emphasized that present FDA labeling requirements are being satisfied by processors and that more extensive labeling of sulfites is unnecessary.

The final report of the review panel is expected to be submitted to FDA by the end of January. FDA will then consider the panel's recommendations and issue regulations governing the use of sulfiting agents.

Change in Senate leadership

Leadership changes for the 99th Congress were completed in December, with a significant reassignment of party posts and committee chairmanships in the Senate and a general reaffirmation of current leaders in the House.

In a heated five-way race for Republican Senate leadership, Robert Dole (KS) was chosen as majority leader to replace Howard Baker (TN), who is retiring to mount a bid for the presidency in 1988.

Dole, renowned for his wit, independence and legislative skill, is expected to be a strong leader who will be unafraid to challenge the administration on controversial issues. A senator since 1969 and a representative for eight years prior to his Senate seat, Dole was the 1976 GOP vice presidential nominee. He is viewed as a probable candidate for the presidency in 1988.

Simpson is Republican whip . . .

The GOP also named new leaders to five other party slots. The most contested election was for Republican whip, a position Ted Stevens (AK) vacated to run for majority leader. Alan K. Simpson (WY), coauthor of the controversial immigration bill that nearly passed last year, was chosen over two of his colleagues for this position.

Other changes included the election of John Chafee (RI) to chair the Republican Conference Committee, Thad Cochran (MS) to serve as conference secretary, William Armstrong (CO) to chair the Legislative Policy Committee and John Heinz (PA) to chair the Campaign Committee. Because several of the more conservative senators lost bids for leadership posts, the new leadership seems tilted toward the party's more moderate wing.

The promotion of Robert Dole, previously Finance Committee chairman, to majority leader began a chain reaction of changes in committee chairmanships. As ranking member on Sen-

ate Finance, Bob Packwood (OR) moves into Dole's vacant seat. Packwood, a moderate, is not expected to support any sweeping tax reform package and will most likely oppose any tax increase unless backed by the President.

Lugar heads Foreign Relations Committee . . .

Two other committee chairs will change hands in the 99th Congress. Richard Lugar (IN) was elevated to Foreign Relations Committee chairman when Jesse Helms, pressured by his constituents, decided to continue to chair the Agriculture Committee and not seek the foreign relations slot. This position was vacated when Charles Percy was defeated in his bid for reelection to the Senate.

And, in a move that should not result in any significant changes, Sen. John Danforth (MO) will take Packwood's seat as chairman of the Commerce Committee.

In contrast to the major overhaul on the Republican side, Senate Democrats renewed the terms of their previous leaders. Minority Leader Robert Byrd (WV) successfully turned back a challenge by Lawton Chiles (FL) for the number one minority position. This marks Byrd's fifth term as Democratic leader. Also reelected were Alan Cranston (CA) as party whip and Daniel Inouye (HI) as caucus chairman.

No major changes in House . . .

On the House side, both Democratic and Republican leaders of the 98th Congress were reaffirmed. Thomas P. (Tip) O'Neill (MA) was nominated by acclamation to be Speaker of the House after Charles Stenholm (TX), a conservative, abandoned his challenge to O'Neill. This will be O'Neill's fifth and final term as speaker, since he has announced he will retire at the end of the 99th Congress.

The Democrats also reelected Jim Wright (TX) as majority leader. O'Neill and Wright then appointed Thomas Foley (WA) as majority whip and Bill Alexander (AR) as chief deputy whip. Richard Gephardt (MO) was elected as Democratic caucus chairman to replace Gillis Long (LA), who was forced by party rules to step down after four years as chairman. Succeeding Geraldine Ferraro as caucus secretary is Mary Rose Oakar (OH), who was elected by voice vote.

The House Republicans retained their leadership team of Robert Michel (IL) as minority leader, Trent Lott (MS) as minority whip and Jack Kemp (NY) as conference chairman. Lynn Martin (IL) was chosen to replace the retiring Jack Edwards (AL) as conference vice chairman, apparently the first woman elected to the GOP House leadership.

—Michelle Rabayda

NRA conference focuses on employment opportunities for the disabled

Broadening industry horizons through the employment of people with disabilities was the topic of an NRA conference in November. Human resource personnel of major foodservice corporations joined government and state representatives to discuss the services provided by their organizations.

Dorcas R. Hardy, assistant secretary of Human Development Services, keynoted the conference. She commended the foodservice industry for its leadership as an employer of thousands of trained workers with handicapping conditions. She also pledged that in 1985 her staff would help NRA place more than 10,000 people with disabilities in foodservice jobs.

Other government representatives at the conference included Jack M. Grout, vice president for business liaison for the National Alliance for Business, and Don Coleman, public information specialist with the National Institute of Mental Health (NIMH). Grout reviewed the National Job Training Partnership Act, encouraging corporations to become active in the more than 500 Private Industry Councils (PICs) throughout the country. He also discussed the targeted job tax credit.

Don Coleman discussed the accomplishments of the NRA/NIMH partnership during the last four years. He pointed to the production of three video tapes about employing the mentally restored and two industry surveys to assess the experiences and activities of operators employing persons with disabilities.

NRA President Harris Machus welcomes Dorcas Hardy, assistant secretary of human development services.

Also making presentations were representatives of several foodservice corporations which have successful working programs for employing disabled people. Organizations represented included The McDonald's Corporation, the Marriott Corporation, Morrison's Cafeterias, Naugles, Inc., and ARA Services.

State and city programs were also featured. Virginia's highly organized statewide training program in vocational rehabilitation was well represented as was Kentucky's rehabilitation services effort.

James R. Schmidt, executive director of the Fountain House in New York, described the procedures followed in the Fountain House's community setting. The Fountain House originated the concept of transitional employment, where corporations provide part-time employment for the mentally restored for periods of six months to a year. At present, 45 corporations in the New York City area are involved in the program.

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THE LAW

New interpretation of tip pooling

Tip pooling continues to be a baffling distribution arrangement for many operators. The recent experience of an NRA member in Topeka, KS, however, shows that such arrangements can be approved by the local U.S. wage and hours administrator even if the tips distributed appear to exceed the 15 percent ceiling established by the U.S. Department of Labor (DOL). Because the written approval was made by a local official, however, it should be noted that other DOL administrators may or may not follow the decision.

The arrangement . . .

The NRA member in Topeka is primarily a dining establishment. Of those customers who visit the restaurant's cocktail lounge, 95 percent of them go on to dinner and take their drink tabs with them. Most don't tip their cocktail servers before they move into the dining room. As a result, cocktail servers were disgruntled because they felt they did not receive their fair share of the tips.

The NRA member sought to change this situation by proposing that each food server in the dining room total up nightly the amount of cocktails sold in the lounge on tabs they collected and got tipped for. The server would then give 10 percent of that total to the cocktail servers. Of the tip remaining, 15 percent would continue to go into the tip pool for servers.

Since the establishment operates on a server rotation system, the staff supported such a distribution. Still, the operator feared there might be legal problems in handling tips in this way since dinner servers could argue that they had to give away too much of their tips.

First DOL letter . . .

In its first communication with the NRA member, the area director agreed that the operator's plan was in compliance with DOL regulations.

"You indicate that you intend to set up a plan where cocktail waitresses will be given credit for tips on cocktails served even though the charge is on one ticket which will be to the food waitress's credit. You indicate that this division will be based on a normal split between the cocktails and food and would be *entirely agreed upon by food waitresses and the cocktail waitresses*. This would operate within your overall tip pooling arrangement which provides for 15 percent of tips going into the tip pool.

"The Fair Labor Standards Act as a general rule requires that all employees be allowed to retain all tips. However, this requirement does not preclude a valid tip pooling or splitting arrangement among employees who regularly and customarily receive tips. A valid tip pooling arrangement includes employees who have customarily and regularly participated in tip pooling arrangements, and it cannot require waiters or waitresses to contribute a greater percentage of their tips than is customary or reasonable. We have generally accepted that a contribution rate of 15 percent, which you are using, is permissible. The fact that within the tip pool you take steps to ensure that waiters and waitresses are properly credited with the tips they have earned does not invalidate the pool and, based on the information you have provided, would not violate the minimum wage requirements of the Fair Labor Standards Act."

Clarification sought . . .

When the NRA member received this response, he was concerned about the interpretation of "entirely agreed upon or voluntary." He asked for clarification:

"1. Does it have to be 100 percent agreed upon?

"2. Would a 51 percent majority be considered entirely agreed upon?

"3. Would a signed written statement suffice as proof that the servers agreed to the tip distribution arrangement?

"4. If we present new employees with the system and get them to sign that they agree to work under this cocktail wait split system, does that mean they agree?"

The response from the area director expressed even further support of the tip distribution arrangement. Area Director Terry L. Burger said: "It is my opinion that the tip splitting of the type you describe, which is intended to ensure proper crediting of tips earned by different individuals, does not have to be voluntary. Hopefully, this will enable you to properly establish the tip pool in your establishment."

Critical Stages in the Life Cycle of a Restaurant

by Maurice P. Minno & Rohit Bhayana

Past statistics have shown that 50 percent of all restaurants fail within the first year of existence, and of those that remain, 33 percent fail within the second year. At any stage during the life of a restaurant, the restaurant may fail. Since failure is an ominous cloud over a restaurant during its life, it is important for restaurant operators to recognize these various stages, as the strategies to combat failure are different in each stage of a restaurant's cycle.

Maurice P. Minno is a principal and Rohit Bhayana is an associate of MDR Associates in Fairfax, VA, a professional hospitality management consulting and commercial kitchen design firm, which regularly assists restaurateurs.

The four stages . . .

There are four stages in the life of a restaurant, each with its own characteristics and strategies for success.

1. **The introduction stage:** The restaurant is created and introduced to the market.
2. **The growth stage:** The concept gains appeal, wins a market share and begins to achieve increasing sales volumes.
3. **The maturity stage:** The restaurant's sales stabilize and customer counts become predictably regular.
4. **The decline stage:** Sales volumes and profit margins begin to plummet and can lead to the closing of the restaurant.

1. Introduction stage

The goal for a restaurant during this stage in a restaurant's life cycle is to establish the restaurant in the mar-

ketplace. This is accomplished during the planning stages by activities, such as conducting market studies on the concept's viability and raising capital to tide the restaurant over in the lean period of starting out.

Once the restaurant is launched, it is usually characterized by a centralized management style and by the need to build patronage. Often the restaurant is lead by an entrepreneur who directs all his energy into the restaurant's operation and tries to control all aspects of the business without much assistance.

This tendency toward one-person decisionmaking leaves very little room for input from employees, but the restaurant does not usually suffer from this arrangement since the staff has high "esprit de corps" due to the excitement created by a new restaurant and the exchange with new people and new ideas. To assure high quality service, however, the operator must train the staff and enforce standards by constant supervision.

Operator and employee inexperience often contribute to the restaurant's low profitability during the start-up months. The restaurant can cope with this characteristic drawback in a number of different ways: by limiting the number of items on the menu—making sure there is enough variety to meet the needs and expectations of the intended market segment, by undercutting prices of competitive restaurants; and, most successfully, by getting off to a good start.

A restaurant should not have a grand opening on its first day of operation. The grand opening should only come after the operator is satisfied that his staff can handle an increased amount of business. Allotting time for working out operational kinks will ensure that the initial, crucial visit of each guest will prompt them to return.

When marketing the grand opening, efforts should be directed to people who are seen as influential in the restaurant's market area, such as sports figures, the press and local successful personalities. Creating a memorable experience for them will go far towards stimulating acceptance for the restaurant.

Once the initial operating problems have been worked out, the operator needs to increase advertising and promotion. According to NRA operating statistics, normal expenditures for advertising and promotion are two to four percent of sales. Depending on the restaurant and market area, this figure may need to be increased to five or six percent of sales for the initial months of the restaurant's introduction.

2. Growth stage

During a restaurant's growth stage the operator may be simply satisfied to reap the benefits of his restaurant's growth and slowly slide into the maturity stage. On the other hand, he or she may choose to grow through expansion. The second unit would then begin its own life cycle, benefiting from the operator's experience with the first restaurant and probably reducing the length of time it takes for the second restaurant to flow from the introduction stage to the growth stage.

During the growth stage a restaurant exhibits the following characteristics:

- **Streamlined operations:** Greater and greater operational efficiencies are achieved as the restaurant's staff becomes more comfortable and efficient with the facility and its menu. Management is better able to schedule and project needs as it becomes more familiar with the restaurant's peculiar characteristics. The increased efficiencies are generally reflected in lower costs and subsequently higher profit margins.
- **Refinement of the menu:** As more and more guests frequent the restaurant, the relative popularity of individual menu items becomes apparent, leading to the elimination of unpopular items and the addition of new, possibly more popular, items.
- **Increase in prices:** Prices, which may have been forced too low during the introduction stage to attract patrons, are increased to reflect the

continued on p. 16 . . .

Strategies for each life cycle stage

	Stage			
Strategies	**Introduction**	**Growth**	**Maturity**	**Decline**
Overall thrust	Establish restaurant in the marketplace. Persuade people to try it.	Penetrate larger market segments. Increase sales and profit levels.	Maintain market share. Defend against competitors.	Complete overhaul of concept.
Implementing standards	Constant supervision by operator.	Written standards become increasingly important.	Written standards with constant supervision.	Reimplement forgotten standards.
Pricing	Lower than prevailing market prices to draw people.	Competitive with other similar restaurants.	May need to cut prices to maintain market share.	Prices may be further cut to increase competitiveness.
Advertising and promotion	High expenditures to establish market and attract initial visitations.	Moderate expenditures due to increasing market share and less need for image building.	High expenditures to differentiate restaurant from competitors and market share.	High expenditures to rebuild restaurant image.

Knowing when to buy, renovate or sell a restaurant

Although foodservice appears to be a glamorous business, it is one of the hardest and most vulnerable businesses to be in. Failure rates are high, and hard work and long hours go hand in hand with owning and operating a restaurant.

Getting off to a good start can make a tremendous difference, however. Knowing when to buy a restaurant and being aware of the proper steps to take prior to opening day can be the key to success.

When to buy . . .

The timing of the purchase is crucial. Economic and industry trends must be considered. Interest rates should be low so that mortgages can be obtained at favorable rates. If the economy is doing well, the chances of success increase. Studies show that as their incomes increase, consumers spend a greater proportion of their food dollar on meals away from home.

Industry trends and seasonal cycles must also be considered. For example, the industry slows down in January and February and again in July and August. Therefore, openings should not be scheduled during these months. Instead, these months should be used for building or planning.

Proper planning takes time but this is well recuperated in the long run through increased efficiency. For example, proper kitchen layout is an extremely important factor in achieving top efficiency and standards. It eliminates unnecessary steps and procedures for kitchen and service staff. Preparation and production should proceed in an efficient, sequential order.

When purchasing, ample lead time also is essential. It takes roughly six months to a year to find the appropriate location. A thorough feasibility study is a must and it can take up to eight weeks to complete. Zoning and licensing can add even more time.

It is imperative to acquire enough working capital to carry the restaurant through at least the first crucial six months of operation, although one year of operating capital reserve is a safer cushion.

Before a bank will even consider a loan application, three, five and seven year projections must be developed. This information will, most likely, be contained in the feasibility study. The feasibility study, therefore, serves a multi-purpose function.

The decision to buy and the final restaurant concept will be based on the result of the feasibility study, which analyzes the location, market and competition. The proposed location is evaluated in terms of traffic patterns, accessibility and parking. The market is determined by scrutinizing ethnic backgrounds and the economic status of the surrounding population. These factors and an analysis of the competition help generate projections in potential market demand.

Once the concept is established, it must be carried through the entire facility. An interior design must be chosen that will complement the style of food to be presented and, at the same time, will create a relaxed and enjoyable atmosphere.

The concept also must influence the design of the menu, especially in terms of presentation and style. The menu should be thought of as the "first impression" of the food offered. If the item doesn't *sound* appealing, then the customer's subconscious says that it won't *taste* appealing.

In order to operate a successful restaurant, however, it takes more than a good concept and effective menu. Tight operational controls,such as food and beverage inventory control systems, cash handling systems and standardization of food and beverage preparation and presentation, are imperative.

To summarize, the purchase of a restaurant should be done only after carefully analyzing the economic and industry trends, the location, the price, yearly projections, the timing, the potential market demand and the competition. Like any investment, when to buy is determined by your feasibility study and analysis. The time to buy also depends on your personal financial needs and desires.

When to renovate . . .

Operators realize that food and entertainment trends change almost as quickly as today's fashions.

Knowing when to renovate is sometimes difficult to assess unless restaurant owners stay abreast of industry and market changes. If business seems to be going steadily downhill, a change in concept, with a revitalization of the menu and decor, can bring new life into the business and attract new clientele.

But not all renovations need be drastic departures from what exists. Adding a few new items to the menu can rejuvenate customer interest. Adding plants and trees can create an airy, relaxed atmosphere. Changes in color coordinates, such as new tablecloths, placemats, napkins, dishes and glassware patterns, can also create an impression of change.

Also possible are simple changes to the exterior. New paint color and texture can create the illusion of a brand new building, and the addition of windows or skylights can be another way of fashioning a new look.

In general, decor renovations should be made at least every three years. Menu items, on the other hand, should be changed at least once a year. But in doing so, you must keep up with the latest trends and market changes.

When to sell . . .

The main reason to sell a restaurant is because it's no longer financially feasible or rewarding. A restaurant should be sold once it no longer serves its purpose. If it was used as a tax shelter and no longer has losses or depreciation left, it has outlived its usefulness.

The best time to sell a restaurant is before it starts "getting in trouble," especially since it may take several months to sell. If the demographics around a restaurant are changing and changes cannot be made within the concept or establishment, it is time to sell. This requires an awareness of the restaurant environment—in terms of competition, customer needs, economic trends, market potential and industry changes.

In sum . . .

The restaurant business is very difficult because it is extremely sensitive to changes in consumer tastes. However, if an operator can keep up with these trends, owning a restaurant can be very rewarding.

—Entrepreneur, Inc. (ECI), National hotel/restaurant consultants in Acton, MA.

. . . continued from p. 14

costs of the business and the need to make a profit. Depending on the popularity of the restaurant, prices may be at the same level as the competition or even slightly higher.

• **Increase in competition:** As the market share of the restaurant increases, so does the proliferation of competitors and mimickers—especially if the concept is unique. Competitors hope to capitalize on the concept's popularity through their own restaurant. The restaurant has to combat competition by assuring quality, value and an enjoyable experience for guests.

As might be expected, the strategies a restaurateur should implement during the growth phase are different from those in the introduction stage. They take advantage of the increasing popularity of the restaurant to perpetuate its growth.

Plan more, direct less: As the restaurant's sales grow, the operator needs to step back and begin delegating some of his or her responsibilities.

Often a manager is hired who becomes responsible for daily activities, leaving the owner to plan strategies, monitor trends and create new ideas (or open more units) to continue the growth curve. The relinquishing of daily duties is often difficult for the entrepreneur since he or she gains much pleasure in preparing, serving and being with guests and may believe that he or she is the only one capable of operating the restaurant properly. The importance of overcoming these needs and fears cannot be overemphasized. The only way for the restaurant to continue to grow is through this strategy.

Increase documentation of standards: As the operator becomes more remote from the daily business, written standards and procedures greatly assist in ensuring that the restaurant is operated effectively.

Continue to train: As the restaurant grows, the operator may overlook the continued need for training. Yet, the need for training becomes especially important as the staff grows and new employees join the ranks.

Increase selective marketing: During the introduction stage the operator may have marketed toward a variety of people, not really knowing which would be the restaurant's primary market. By observing who uses the restaurant at various times during the introduction stage, however, the restaurateur can develop such basic demographic information as age grouping, sex, profession and ethnic origin of the clientele. Now this information becomes valuable. During the growth stage, the operator can begin to selectively market to the most active market(s) and further reinforce their patronage.

Moderate advertising and promotion: During the growth phase, advertising and promotion can moderate as word-of-mouth recommendations by satisfied patrons become more important. People who frequent the restaurant are often the ones who return with others.

3. Maturity stage

When a restaurant reaches maturity, sales volumes and profit levels generally stabilize as the restaurant has established a position in the marketplace. But there are danger signals operators should watch for during this stage to keep the restaurant from slipping into decline.

Tiring of employees: Employees may become listless and show a general lack of concern as their jobs become routine.

Conceptual obsolescence: Regular patrons are the ones who most often frequent the restaurant; new customers go to restaurants with new menu ideas and new concepts.

Declining standards enforcement: There is a decrease in the enforcement of standards that were imple-

How to avoid the decline stage

1. Know your clientele, especially their socioeconomic characteristics (age, education, income level, sex and ethnic origin).
2. Observe and react to changes in the type of people that frequent your restaurant.
3. Read industry publications, attend trade shows and visit new restaurants to stay abreast of trends. Then periodically incorporate these new ideas into your menu.
4. Stay on the "growth curve" by implementing new trends and ideas at the effective time before the trends and ideas become commonplace.
5. Advertise and promote your restaurant to keep the public's awareness at a peak.
6. Keep the enthusiasm level of your staff high by keeping the restaurant fresh and current.
7. Continuously train and retrain your staff to ensure that your standards are understood and being met.

mented during the introduction and growth stages. The standards include both physical maintenance standards as well as operating standards. Typically, as the standards decline, so does the restaurant's business, although the initial decline of standards may not be reflected in an immediate decline in operating profits.

If these danger signals become apparent, an operator can take steps to stop the slide. The primary strategy is to fight against conceptual obsolescence. Renovating the facilities and frequently revising the menu are crucial steps to keeping the restaurant fresh and current and maintaining the enthusiasm and energy of the staff. The operator should monitor trends by reading industry periodicals and visiting new restaurants. Patrons and employees also have many good ideas for menu changes.

Even though it is important to keep regular customers satisfied, the restaurant should attempt to increase its base during the maturity stage. New markets should be solicited, preferably drawing from the customer bases of competitors. This becomes increasingly important if the mix of the restaurant is changing against the general flow of demographics in the area. For example, if the restaurant is currently attracting an older clientele in a neighborhood that is increasingly becoming younger, the restaurant may soon have no patronage.

Finally, it is important to draw from competitors' markets to increase one's own market share. Competing restaurants may also be in the maturity stage, thus increasing the importance of letting the customer know the difference between the operator's restaurant and others.

4. Decline stage

The restaurant that does not attempt to perpetuate and increase its life through current, appropriate change faces decline, leading to eventual death of the restaurant. The characteristics of a declining restaurant are:

Decreasing sales and guest counts: The most obvious characteristics of a declining restaurant are a drop in sales and guest counts. Competing restaurants with new concepts will continue to draw business away from an operation in the decline stage.

Milking of profits: Often, the operator recognizes a decline, and instead of attempting to stall the process, begins to take all profits out of the restaurant. This "milking" precipitates further decline.

Decline of standards: The standards that were beginning their decline in the maturity stage now become apparent in the poor appearance of the facilities, poor service and sub-standard food. The operator's lack of care becomes obvious in the poor attitude of the staff as well. These factors combine to further contribute to the restaurant's decline.

To resurrect the restaurant from the decline stage requires a complete overhaul and renovation of the entire concept. The operator has to make a vigorous effort to reimplement the forgotten standards. Often, though, the operator is not willing or able to go through the rigors of a complete rehabilitation. Instead, he or she withdraws interest from the restaurant, saving his or her energy for a new start elsewhere.

In summary . . .

A restaurant may or may not experience the various stages of the cycle, depending on the strategies that the operator implements. The operator needs to continuously adapt to changing conditions, trends and ideas, while enforcing the standards that made his restaurant successful initially. Through the combination of the two, the decline stage can be avoided. ❑

The life cycle of Johnny Appleseed Restaurants

LOCATIONS: New Market, Fredericksburg, and Richmond, VA; Harrisburg, York, and Bedford, PA.

PROFILE: Six country, rustic style restaurants featuring apple products; plans for franchising into 15 or 20 units by 1987.

IN BUSINESS: Since 1973.

As the story of Johnny Appleseed Restaurants illustrates, a restaurant must revise its approach to standards when it grows. In 1973, the first Johnny Appleseed Restaurant, named after a legendary folk hero, was created and operated by Peter Watts in New Market, VA. The restaurant, located off an interstate highway, appealed to families and especially to children, who were attracted by the 14-foot tall statue of Johnny standing on the outside of the restaurant. In the first restaurant, Watts enforced standards through constant supervision. Watts also did everything from washing dishes to preparing and serving food. His standards stressed three basics: good food, good service and a clean establishment. These basics made a success of the first Johnny Appleseed Restaurant and led to expansion to the second unit in Fredericksburg, VA.

When the second unit was added, Watts began to document standards through written memoranda to his restaurant managers. He would often call together a few servers to decide upon a particular procedure, for example, cleaning salt and pepper shakers, and wrote the procedures in the form of memoranda. Standards continued to be discharged in this manner as the chain expanded. In addition to the standards communicated through memorandums, Watts saw the need to hire a corporate food and beverage director.

As the popularity of the Johnny Appleseed concept grew, franchising was seen as a viable, cost-effective means to continue expansion. The desire to franchise required further documentation of standards to create the continuity and uniformity necessary for franchising. Watts realized that he needed outside expertise to handle the task of establishing new standards and documenting old ones. So, outside expertise was hired to develop operations manuals, training manuals and other tools necessary for the expansion.

The Johnny Appleseed Restaurants case is a good example of the adaptations that were made by a company to meet the needs of its growth. Peter Watts recognized that to continue the success of his concept, steps had to be taken to compensate for his increasing distance from the restaurants.

RESETTING YOUR BODY CLOCK

by Nancy Friedman

Julie Christopher works split shifts at a gourmet-hamburger restaurant in Los Angeles' Century City and lingers at the bar after work, chatting and drinking. "You get so wound up, you can't just go home and sleep," she explains. "A lot of times, a bunch of us will go out and find a party afterward."

Alberto de la Rosa, a waiter at the Cadillac Bar—one of San Francisco's busiest Mexican restaurants—recently finished two crazy workweeks and is now in the process of readjusting to "regular" hours. "This week has been easy," he confides. "But the last two weeks—that was a different story. I was at our new restaurant training the waiters. I worked 160 hours in two weeks and was going home at four or five in the morning."

Noel DeMello is the resident split shift expert at the Cadillac Bar. He worked only splits when the restaurant first opened and now is scheduled for two per week. DeMello often finds it impossible to switch gears fully between shifts in order to squeeze in that much-needed free time. "Splits are just very long days," he says with a sigh of resignation.

Adjusting biological rhythms . . .

Sound familiar? If it does, your day is probably everyone else's night. You work so many different schedules, it doesn't matter what time it is. You may even work split shifts and have no day to call your own. It's a bizarre existence that puts you out of sync with the rest of the daytime world and can throw your whole system off. But have no fear. The problem is not with you, per se, but with your biological rhythms, and there are ways to attune them to your schedule, says biologist Charles F. Ehret.

Ehret, the man behind the anti-jet lag diet program that President Reagan and other time-zone hoppers swear by, has been studying the effects of time cycles on animals and humans for more than 35 years. Lately, he has been looking into the health problems faced by shift-workers or people who work anything other than the normal nine-to-five routine that most Americans follow. If you work split or dinner shifts for days or weeks at a time, that means you.

People are normally day-active creatures, Ehret points out. Normal programming takes that into account: We surge in the morning and decelerate in the evening. "You really are a different person chemically at 6 a.m. than you are at noon or at midnight," he says.

This hormonal programming en-

ables us to take in stride what Ehret calls "daily time-givers," or stimulants that reset the body's inner clock and give us our sense of time. The primary stimulants include light, food, drugs, social cues and oxygen (from exercise).

Living by your body's inner clock is no problem as long as you're getting up at seven in the morning, eating lunch at noon, finishing work by five and going home to dinner and a leisurely evening before falling asleep. If the whistle doesn't blow for you until 2 a.m., though, your inner rhythms can get thrown out of whack.

Turning the day around . . .

Julie Christopher says her schedule makes her feel as though she's in show business—up all night, constantly on the go, unable to unwind, asleep when the rest of the world is at work. Ehret agrees with her. He compares the restaurant worker's dilemma to that of most entertainers. "Many show-business people have learned to live very well with shift work," he says. "They'll be onstage in Vegas at 11 p.m. and maybe even do another show at one in the morning. They don't get to sleep until the wee hours, and yet they're often in perfect health." Their secret? "They just turn the day around," he explains. "They eat a good breakfast at two or three in the afternoon. They often have a whole set of 'night people' to socialize with after they get off work. And they don't 'sunlight'—the opposite of 'moonlight'—on their days off. They keep the same schedule that their bodies have adjusted to."

Ehret suggests the same equation as the solution for restaurant folk: they just need to switch their clocks to fit their lifestyles. For example, after starting work at 3 p.m. and getting home at 6 in the morning, Noel DeMello sits down and relaxes by reading the next day's paper and watching television to keep his body on track. Ehret recommends a similar type of routine for all shift workers. He calls it observing "good chronohygiene" throughout the day. Ehret describes chronohygiene as a "planned rescheduling of meals and activity to provide time cues that help speed the body's adjustment to new work schedules."

It goes like this: If your work shift starts at 4 or 5 p.m., your "morning" should begin an hour earlier. That's the time to turn on the lights in your house, exercise, and eat a substantial, protein-rich meal. Avoid caffeine-packed drinks then, says Ehret; your body clock doesn't need resetting at that hour.

Your equivalent of lunch hour comes at 8 or 9 p.m. "Eat a big, high-protein lunch, avoid caffeine and don't take a nap," says Ehret. Around midnight is your "teatime," the only time it's okay to drink coffee or tea. It'll give you a boost to make it through the night or split shift.

By two or three in the morning, you're off work and ready for your evening phase. Socializing is fine then, says Ehret, as long as it's fairly low-key. The same goes for exercise: nothing strenuous, but light stretching, yoga or walking are acceptable. And this is the time for a high-carbohydrate, low-protein meal—a plate of spaghetti, for instance, or some Chinese stir-fry over rice. Carbohydrates signal the body that it's time to slow down and get ready for sleep.

Avoiding the temptation to nap . . .

Split-shift folks should follow a modified routine. Follow the example of DeMello, who changes clothes and goes for a walk between shifts but doesn't go all the way home, so as to avoid the temptation of a nap. A midday snooze does more harm than good to the old biological rhythms, Ehret says. But it's still important for split-shifters to get away from the restaurant atmosphere. So don't have lunch in another restaurant; brown-bag it instead. Eating outdoors in a park or other relaxing setting can help.

As for unwinding after work, "night people don't need to do it more than day workers do, but it may be harder for them to find the right kind of unwinding activities," says Ehret. Gardening, a perfect unwinding activity, is no easy trick before dawn unless you have a lot of houseplants. Lack of daylight also cancels out a peaceful walk or bike ride, but music, a traditional soother, is always available no matter what the time. "I grab my guitar as soon as I get home from a night shift," says Alberto de la Rosa.

And this is not the time to feel guilty about watching television, another great relaxer after a long shift. DeMello plugs in his whirlpool foot massager and watches television for about an hour or so before turning in, giving both his body and his brain some time to wind down.

Although he is probably not catching his favorite shows at that hour, he may be able to view them eventually. In Germany and the Scandinavian countries, "some TV shows are shown three times a day so that shift workers don't have to miss, say, their soap operas," Ehret notes. American network TV is currently less obliging, but if you have a videocassette recorder, says Ehret, you should tape your favorite shows, not only to have something you like to watch after work, but also to feel more "normal"—more like a day worker than a night person.

Many shift workers may look to alcohol to produce a state of relaxation. But chronic overuse of alcohol—or any drug, including sleeping pills—flattens circadian rhythms, Ehret says. "For shift workers, who are already disturbing their rhythms, it's adding insult to injury," he adds.

It is also helpful to remember that you are in a high-pressure job. If you don't take positive steps to relieve that tension, it could lead to anxiety, depression, headaches, lower-back pain, frequent insomnia and a raft of other ills. In fact, a 1978 study by the National Institute for Occupational Safety and Health found that "manager/administrator" was the seventh most stressful occupation in the country, followed by "waiter/waitress." When you're dealing with that kind of stress, it's even more important to make certain your body clock stays on the proper schedule when you're working night or split shifts.

Adapting . . .

If you can't observe the whole Ehret shift-work schedule, even a few adaptations can help, such as snacking on a few pieces of toast when you get home or substituting a glass of juice for a glass of wine. And if you need a memory jogger, Ehret has summarized the shift-work diet on a wallet-size card. To obtain one, just send a self-addressed, stamped envelope to the Office of Public Affairs, Argonne National Laboratory, 9700 S. Cass Ave., Argonne, IL 60439. Follow it faithfully, and those weary after-shift feelings may ease. ❑

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The U.S. Culinary Team TRIUMPH IN THE HOT FOOD COMPETITION

The hot food competition was not the only victory for the American team. The U.S. Culinary Team brought home a total of 120 medals, 56 of them gold. Although Canada won the world championship award for the best overall performance, the United States was the only country to place first in two of the three main areas of competition. The U.S. team won the hot food and cold platters; missing out only on hot food presented cold.

by Anne Papa

The U.S. Culinary Team set a new world record at the 1984 International Culinary Competition, held in Frankfurt, Germany, this past October, by becoming the only country ever to win the hot food competition two times running. This year the team took the honors for its two native American dishes—Loin of Lamb Wyoming and Seafood Sausage Virginia. The 1980 U.S. Culinary Team edged out its competitors with two recipes that have since become American classics: Turkey Breast Oklahoma and Sea Bass St. Augustine. These successes prove that American cuisine is no longer up and coming—it's here to stay.

The American victory in the hot food category is also significant because the hot food competition is considered to be the most prestigious—and the most difficult—event of the "culinary olympics," as the international competition is commonly called. U.S. Team Manager and Culinary Institute of America President Ferdinand Metz explains why: "Chefs spend over 90 percent of their time preparing hot food—three times a day, 365 times a year. Hot food is the lifeblood of our business."

The hot food competition was held in specially-built kitchens in the main hall of the Messegelaende, Europe's largest single exhibition area. Twenty-eight national teams competed—four on each day of the week-long culinary olympics. The U.S. Team competed on the second day, along with teams from France, Spain and Norway. Here is an account of that important day's events.

The beginning . . .

Frankfurt, West Germany—October 13, 1984—Day Two of the International Culinary Competition dawned early for the U.S. Culinary Team. It was not yet 5:30 a.m. when national team members Richard Schneider, Marcus Bosiger, Dan Hugelier and Tim Ryan and Team Manager Ferdinand Metz began loading the van that would transport them to the Restaurant of Nations, located in the main hall of the Messegelaende. There, the team would defend its championship title in the 1984 hot food competition.

The team members were quiet as they methodically moved food and equipment out of their prep kitchen and onto the truck. They knew that now was not the time to think about the impact the day ahead might have on their individual careers or even on the worldwide reputation of American cuisine. Now was the time to concentrate on the task at hand, with a single-mindedness of purpose. This con-

centration has been a hallmark of the U.S. Culinary Team since its formation in 1956.

"We could not concern ourselves that day with the magnitude of the event we were involved in," says U.S. Culinary Team Captain Richard Schneider. "There were too many details to take care of. We had to concentrate on our own performance as a team."

The preparation . . .

The team was well prepared that morning. Immense portions of the ingredients to be used in the two competing dishes, Loin of Lamb Wyoming and Seafood Sausage Virginia, had been carefully selected in the days and weeks before the event. Some ingredients had been brought over from the United States: such as American lamb, which is larger and juicier than European lamb. Carolina rice, Louisiana shrimp and California baby vegetables—tiny turnips, squash, zucchini, beets, onions and carrots no bigger than baby fingers—had been brought over by the team as well.

Any preliminary work that could be done on the two dishes had been completed the day before the competition. Lamb and fish stock had been prepared, and staples such as butter and cream had been measured beforehand. A saffron rice mixture, which would be fashioned into fish-shaped croquettes and served with the seafood dish, was also prepared ahead of time to ensure a firm texture.

All ingredients were carefully packaged and loaded onto the van for the two-mile ride to the competition site. After a simple but nutritious breakfast, prepared by team apprentices who were on hand throughout the day, the team was on its way.

The arrival . . .

The Restaurant of Nations was still quiet when the team arrived at 6:00 a.m. Later, when the competition was in full swing, throngs of spectators would surround the glassed-in kitchens to observe the chefs at work. At this early hour, however, only a few people watched as the teams tested the equipment in their assigned kitchens and began unpacking their food.

The U.S. team members moved quickly and efficiently, unloading cartons and arranging their individual work areas. Hugelier would be preparing the lamb. Ryan would be preparing the seafood sausages and finishing the saffron rice croquettes. Bosiger would be fixing the vegetables for both dishes and the corn-filled crepes which would accompany the lamb dish. And Schneider would be preparing the salads which would be served with both dishes.

It was at this crucial point that the chefs noticed half of the equipment in their assigned kitchen was not working. Metz describes the frustration felt by the team members. "We were already faced with the challenge of setting up a kitchen 3,000 miles away from home," he recalls. "And there it was, the day of the competition, and three out of six burners didn't work.

Neither did the steam table. Our choice was either to throw our hands up in the air, take off our aprons and refuse to participate—or to make the best of the situation. We chose to make the best of it."

Ryan says two years of intensive training under Ferdinand Metz enabled the team to work around the inconvenience. "We were trained to expect the unexpected," he explains. "Chef Metz had emphasized that the ability to overcome sudden obstacles would separate the winners from the losers." The team built a makeshift stove out of sternos and continued with their preparations.

The dishes . . .

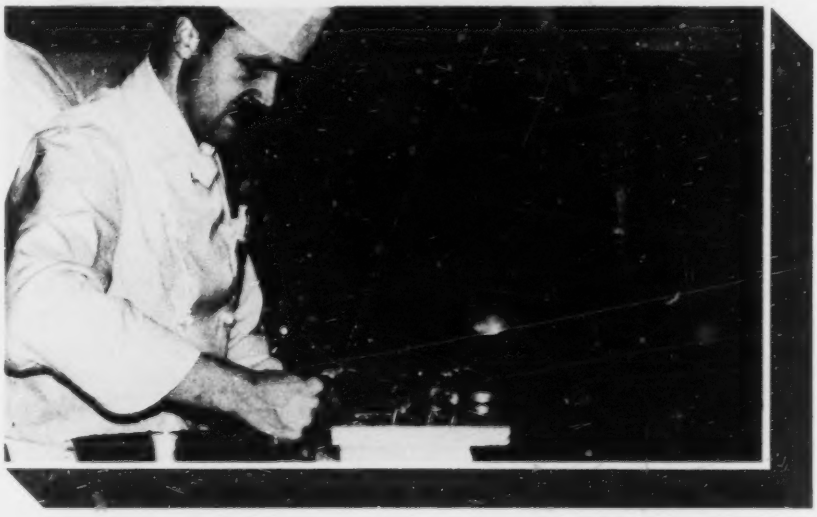
When the 10 judges arrived at the kitchens at 8:00 a.m., the team members were already hard at work. Hugelier was busy preparing the Loin of Lamb Wyoming. This dish had come a long way since its presentation at the Dinner of the Century, held at the NRA Show in May. At that time, the roasted lamb had been wrapped in caul fat, which had preserved the meat's natural juices but had not allowed for a crust. The chefs felt a nice, brown crust would enhance both the texture and the flavor of the dish.

So in Frankfurt, Hugelier wrapped the roasted lamb in a layer of pounded flank, a part of the skirt which is normally trimmed off but which actually contains thin layers of meat. A layer of herbs was also added, and the lamb was then covered in a thin layer of its own natural fat. In this way, both texture and flavor were intensified, and all but eight ounces of fat on a rack of lamb was used in the preparation. Total usage, a primary consideration since the dish first originated, was nearly achieved in this final version.

Meanwhile, Bosiger was preparing the corn-filled buckwheat crepes which would be served with the lamb. Small buckwheat pouches were filled with a mixture of corn, sauteed onions and red and green peppers, and then sprinkled with Monterey Jack cheese to bind the ingredients together. Each crepe was then tied with a scallion and baked. "The finished crepes resembled small gold pouches," says Metz. "They drew instant attention to the lamb dish—a real signature item."

Bosiger was also preparing the baby vegetables which would be served with the lamb. These were sauteed in a chicken broth which had been boiled down to a syrupy texture. Fresh herbs were added to the mixture at the last minute. This method of preparation created a glazing effect, without being greasy or buttery. And since a minimal amount of butter had been used, fat content was reduced and the distinctive flavor of each tiny vegetable was preserved.

Preparation of the Seafood Sausage Virginia was Ryan's responsibility. A forcemeat of fresh pike, lightly bound with raw egg white, was combined with diced raw salmon and shrimp and was piped into small lamb casings. The sausages were then arranged carefully on each plate along with a combination of gulf shrimp and bay scallops. The entire seafood medley was covered with a light Cre-



ole mustard butter sauce and surrounded by the fish-shaped saffron rice croquettes. Plum tomatoes stuffed with spaghetti squash and green asparagus, added a striking finishing touch to the platters.

And Schneider was busy fixing the salads that were to be served with both dishes. A floral salad—small tomato cups with baby Bibb lettuce and endives standing up inside, achieving a delicate, budding effect—would be served with the lamb dish, and a fresh garden salad, complete with marinated cucumbers and baby peas, would complement the seafood dish.

Throughout the preparations, Metz worked shoulder to shoulder with the team—tasting this sauce, rearranging that platter, inspecting all ingredients. At one point he asked the team to prepare sample portions of each entree so he could make a final evaluation. "Up to the last minute, if something had been less than perfect, Chef Metz would have changed it," says Hugelier. Adds Ryan, "He made sure all of us stayed on schedule—probably the hardest job of all."

The competition . . .

By mid-morning, the Restaurant of Nations was alive with spectators. Culinary experts, restaurateurs, reporters, photographers and sightseers from around the world crowded around the four kitchens to observe the masters at their craft.

The American contingent was especially strong. "At one point we had to ask the people to make way so the judges could get through," recalls Ryan. The team was trained to disregard distractions, however, and so they carried on, oblivious to the waving flags and popping flashbulbs.

Throughout the morning, the judges meandered through the kitchens. Although the official judging did not begin until 11:30 a.m., the efficiency of the teams as they prepared their dishes was considered crucial to their overall performance. The judges watched to see how well team members worked together. They looked into trash cans to see how much food was being wasted. They peered into refrigerators and bins to see how food was being stored. And they carefully observed each step of the food preparation process, measuring use of time and labor.

Just as the U.S. team was oblivious to the crowds surrounding their kitchen, so were they oblivious to the presence of the judges. "We could not allow their presence to affect our work," explains Schneider. "We had food to prepare. And we had nothing to hide. We were trained to work well together, and we knew how to make the best use of our ingredients and our time." Indeed, when the official judging finally began, Loin of Lamb Wyoming and Seafood Sausage Virginia were the only two dishes ready to be presented.

And what splendid dishes they were. The lamb platter, with its colorful splash of baby vegetables and unique corn-filled crepe, was the first to be sampled by the judges. Recalls Hugelier, "We could tell immediately that they were pleased. In fact, one judge who'd been particularly critical throughout the competition was the first to congratulate us."

The Seafood Sausage Virginia was received with equal relish. The judges admired the fish-shaped design, and they also noted approvingly the contrasting methods of preparation used in the dish. According to Metz, contrast is an important criteria. "By varying your methods of preparation, you create an excitement in your overall effect," he explains. In the Seafood Sausage Virginia, the sausages were poached, the shrimp was sauteed, the vegetables were baked and the croquettes were deep-fried.

Finally, when the judges had finished tasting the dishes and had moved on to the next kitchen, the doors to the American dining room in the Restaurant of Nations were opened and the waiting public was served. The U.S. Culinary Team served a total of 250 meals in 50 minutes, shattering the previously held record of 200 meals in 127 minutes set by the U.S. team in 1980. What were those 50 minutes like for the exhausted team members? "Incredibly hectic," says Bosiger. "Pandamonium," says Ryan. "The final push," says Schneider.

And then—it was over. The other teams were still cooking as the U.S. Culinary Team cleaned up and left their kitchen, pausing only long enough to hoist a celebratory beer.

The reward . . .

The U.S. team was not officially awarded the gold medal in the hot food competition until the last day of the olympics, at the closing ceremony. But on that second day, as the team members headed back to their hotel for a well-deserved rest, they felt the satisfaction of a greater victory. Says Metz, "Our cooperation that day, our pride in our work, and our contribution to the reputation of American cuisine all loom much larger than the medals. The medals are an expression of what others think of your work. But, above all, you have to be satisfied with what you've done.

"And," he adds, "we are." ❑

A CHECKLIST

WHAT MICROCOMPUTERS SHOULD DO FOR YOU

by Bob Hill
NRA manager of data processing

By 1987, there will be 19 million microcomputers in operation. Microcomputers are here to stay. They have their uses in your home and if you are ready to automate, in your establishment(s) as well. Basically, a microcomputer, or micro, regardless of size, can improve your productivity in three ways.

First, it can do what you do now, only faster and better. Tasks such as guest check automation, tracking sales, payroll, purchases, inventory, menu mix, and other tasks can be performed with great speed and accuracy.

Second, a micro can extend the functions you now perform. With accounting software, detailed costs analysis studies can be performed quickly with the same information that was put into the machine for other functions.

Third, a micro can allow you to be more productive. Features such as electronic mail between units; access to large data bases; and the opportunity to hook up with national, international and local networks expand an establishment's capabilities beyond the traditional typewriter and file cabinet.

Moreover, the cost of equipment set-up and programs is steadily declining. But not all micros are the same. In a restaurant setting, micros assist in three areas: business, point-of-sale and telecommunications functions. Before you purchase a micro, you should write down all the capabilities you need to effectively run your operation in each of these areas and rank each item by degree of importance. By deciding which capabilities are essential and which are desirable but expendable, you can make the required trade-offs between price and availability.

Here is a look at some key capabilities in the three basic performance areas to help you develop your list of needs. In the area of business functions, the software should be able to support the following requirements:

- **Payroll and labor data collection and reporting** for as many employees as you need. This can include:
  1) Employee log-in and log-out with manager-authorized correction and printed output.
  2) Employee master record creation with such entries as name, address, pay code, reference number, special skills and change of employment status as well as printed output.
  3) Labor analysis by employee per day and/or week summary. (This should include projected labor requirements by day of the week and/or for total week based on sales statistics of up to five weeks of sales. Variable factors showing allowable crew hours per dollar of sales should also be included.)
- **Inventory control data collection and reporting.** This can include:
  1) Inventory record creation with item number, description, quantity in stock, quantity on order, usage, unit of measure, order point, price and so forth.
  2) Inventory status reporting based on manager inquiry by item, summary of items on order, list of items below order point and not on order, detail stock status list, recommended orders and so forth.
  3) Usage history for reorder calculation available for reference and/or adjustment. (This should include a daily calculation in pounds and dollar cost, the ideal usage of primary items based on their purchase cost.)
- **Purchase and invoice payments data collection and reporting.** This can include:
  1) Receipts of items recorded by vendor and invoice reference, including quantity and costs, that are automatically posted to the inventory records.
  2) Invoice payments (paid-outs) posted by vendor, invoice reference and local cash balancing.
- **Sales and cash data collection and reporting.** This can include:
  1) Sales statistics collected by item of sale and special pricing (coupon item, discount and so forth). (These statistics should be available for inquiry at any time so sales per hour for each item, all items or a selected mix can be retrieved in analyzing breakfast, lunch, dinner and evening product sales.)

A micro should be a user friendly P.O.S. device . . .

By acting as a P.O.S. device the micro, in general, should have adequate methods of displaying data on a video screen or in printed form. Data should be able to be entered easily and rapidly with the fewest possible keystrokes. User-oriented function keys should be identified for ease of access and training. Specifically, sales counter terminals, back office equipment, grill and kitchen areas, maintenance and backup as well as the software designed to meet your needs. Let's take a look at each of these areas.

- **Sales counter terminals** should include the following features:
  1) A design that fits the space and function so items being sold or tasks being performed can be identified.
  2) Cash drawers that can be activated by the micro upon completion of the sale and receipt of cash, so that your sales staff can record and display the sale to the customer and gain approval before opening the cash drawer.

3) Visual displays that support up to 20 items, total the purchase and display any change due. The cashier should see what the customer sees plus any error messages.

4) Print option of a slip printer or journal tape with full character printing under software control.

5) An audible speaker for signifying keystrokes and/or errors.

6) Unit independence so the loss of one micro in an establishment does not affect the others.

7) A separation of manager and cashier functions if a keylock is used.

- **The back office microcomputer and printer** should include:

1) A keyboard that allows for alphabetic and numeric data entry and includes ample function keys to perform the business functions.

2) A visual display that performs transaction displays on request. Program options that allow for upper/lower case, reverse video and blinking characters are a plus.

3) Printer options that allow for a standard 132 character/line printer so reports defined in the "business function" section can be produced.

4) A time clock that must be an integral part of the system and accessible by applications software to maintain accuracy.

In addition, multi-microcomputer configurations should allow for at least 10 sales counter terminals and secondary disk or tape storage should be sealed from dust and grease.

2) Sales summary data by item and by register, clerk, area or department where the sales occurred. (This information should be available either daily or weekly.)

3) Cash, credit or personal check totals balanced with sales. (Credit charges should be recorded by type of account [MasterCard, American Express and so forth]. Personal check input should be associated with such references as driver's license, phone number, Social Security number or a combination of these. Make sure you have the ability to print authorized dollar amounts on the documents.)

4) Credit authorization capabilities within the restaurant for bad account checking and display of rejects.

5) Cash reconciliation capabilities for totaling deposits and recording paid-ins minus paid-outs. These totals should be available upon request for each detail item or sum total and should include reporting capability. End-of-day cash over/short report should reflect the difference between cash and credit and gross sales.

- **Energy control capabilities.** This can include:

1) Monitoring of energy sources, such as electricity usage, by total unit and/or components within the unit (stoves, lights, coolers, air conditioners and so forth). It could be possible to reconcile meter reading data with utility bill processing to reduce overpayments.

2) Ability to perform functions of turning off/on switches based on established energy levels or giving warning signals of alert.

3) Ability to report energy efficiency based on projected usage per day/week/hour of day for each energy source being monitored.

- **Financial reporting for daily, weekly or end of period.** This combines the totals calculated in the previous areas and should provide restaurant profit and loss statement showing total sales by item, cost of items sold, overhead estimates and variance to standard or budget.
- **Training staff to use all software.** This should allow

1) Training lessons to occur for each type of entry, with display of results on video screen or printed, without affecting the integrity of the live data.

2) Training to occur anytime the microcomputer is up without actual sales being entered during the period (cash drawer remains closed).

- **In the grill and kitchen areas** a micro should be able to display or print orders from one or more sales counter micros. It should include a method of recording order completion and verification of orders in the queue.

Where a keyboard is available, it should allow for up to 10 functions for order queue review, order completion indication, substitution entries, cashier call for clarification and so forth.

- **For efficient maintenance and backup,** each piece of hardware should be modular for easy replacement. The hardware parts should be readily available at a low cost.

In addition, the micro should include diagnostic software capable of pinpointing cabling and hardware failures as well as multiple days data storage to allow for external failures, such as phone line and main office equipment.

- **When evaluating software,** be sure

1) Programs are written in one or more of the standard high level languages, such as Basic, Cobol, Pascal and so forth.

2) Programming or modification of existing programs can be done by the back office microcomputer.

3) There are source listings, codes and complete documentation for all applications that have to do with any business functions.

Micros should talk to each other . . .

In a multi-establishment company, the main microcomputer should be able to communicate with another micro of its own or larger size to accomplish any level of time data consolidation. Standard communication speeds are necessary to economically support these requirements.

Specifically, in the area of data collection, two-way data communication capability should be built into the software and the speed of data transmission should allow for 300 to 9600 bits of information per second, using built-in equipment. When there is remote polling of a store's data, there should be a function to check the accuracy of the transmission and multiple stores should be able to transmit simultaneously with automatic retries on missed transmissions.

When polling statistics, there should be a daily log of each type of error and a successful poll summarized in any sequence desired. Weekly and monthly summaries of errors and successful polls should also be possible.

When you have decided which capabilities you require of your micro, you are ready to buy one of your own. ❑

Editor's Note: *NRA's National Conference on Computers in Foodservice, a computer forum designed especially for restaurant operaters, will be held at the Las Vegas Hilton in Las Vegas, NV, March 24–27, 1985. For further information, call NRA's Education Programs Dept., (800) 424-5156 (toll free) or (202) 638-6100.*

Consider Live Music for that "Something Extra"

by Kathy Groiss

Days of smoke-filled dinner clubs where jazz artists got their first breaks may be gone for good, but the tradition of live music in restaurants is still very much alive. Competing for a position in the marketplace and looking for a style that sets them apart, restaurants are finding that live music can create a signature that patrons will remember long after they leave.

Matching musical notes with restaurant style . . .

Music should match the style of the establishment. Upscale restaurants often feature background music. One example is the Harbor Club, a beautiful restaurant overlooking the East River in New York City. The rooms are painted warm blues and peaches and are accentuated by a sunset mural. The environment is subdued and relaxed—perfect for executive business lunches. As Donna Nappi of the Harbor Club explains, "We knew we had a beautiful restaurant here, so we wanted music to help set the mood. Also, since we depend a great deal on business lunches, we couldn't

have anything too distracting or bombastic. We decided our best bet was a pianist who would play light jazz. The music is sophisticated, soothing and helps give the Harbor Club that special something."

Live music also can help complement the design, menu and atmosphere of an ethnic restaurant. A good example is Miomir's, a lively Serbian Restaurant in Chicago that quite successfully added live music during its evening meals. Serbian folk songs, Russian-style dancing, strolling gypsy violinists—all contribute to create an environment so entertaining that the diners invariably become involved.

At restaurants such as Ilnonno's (Dallas, TX), Max's Opera Cafe (San Francisco, CA) and Sweetwater Cafe (Cleveland, OH), the service people *are* the entertainment. As Sweetwater's Gary Luckerelli explained, "We feel that because we are located in the famous Playhouse Square district, it is appropriate to feed people psychologically as well as physically."

Sweetwater service staff sing songs ranging from opera to country western. They perform solo or in groups. And they are aware of their community ties. Luckerelli elaborates: "We like to perform what we call 'time capsules.' These are small groups of songs that have been performed by Playhouse Square players in the past. They are always enormously popular with our diners and really help to connect Sweetwater with this area." On occasion, a new performer offers a unique talent that can be added to the act. "We have a pantry girl who is also a puppeteer," adds Luckerelli. "Every now and then, she puts down her work and goes out and gives a puppet show. It is great fun for her *and* the diners!"

Finding performers . . .

Once you have decided on a particular type of musical entertainment, how do you find performers? There really is no standard source. For example, Rick Henderson operates Strictly Tabu (Dallas, TX), known not only for its delicious food but also for its great jazz. Luckily, Henderson can rely primarily on local talent. "We have the great fortune of having the music school at North Texas State University here in Dallas," he notes. "It is a nationally renowned program and attracts many gifted people. We have been able to use a great many of these talented students. Dallas is also an area with many studio musicians, so I often hire these performers as well. We never really have a shortage."

Some restaurateurs have cited successful searches in newspaper and trade press ads. Others have used the musicians' union, word-of-mouth recommendations or auditioned drop-by performers. NRA member Robert Lafferty of Environments of Quality, Inc., observes that sometimes a musician may not be necessary to give a restaurant a "live music" ambiance. The Coco's Cafe and Bar in Pompano, FL, for example, bought a white grand piano, a beautiful Yamaha, and lit it with pink lights. "It was just spectacular looking. Then, we had it completely computer programmed with some 108 tapes so that the piano simply played itself. It was really an eye catcher and played until 9:00 p.m. when a band came in to play more upbeat dance tunes," he says.

Promoting live music . . .

Once you have an idea and have hired the musicians, how do you promote the fact that you have live music? Some restaurants rely on word-of-mouth recommendations or on their reputations. In this way, the music tends to be a secret benefit of dining at that particular spot.

Places like the Sweetwater Cafe, on the other hand, feature such an unusual concept that they often received unsolicited, free publicity. As Luckerelli observes, "We have had a great deal of publicity both through television and print media which has enabled us to almost forgo paid advertising. Recently, one show called us and asked us to do a spot with our waiter making a pasta dish while singing opera. It seems that anything that looks interesting, or a lot of fun, becomes newsworthy."

If you need to pay for advertising, target those ads carefully to reach specific markets. Roma's Restaurant in Washington, DC, is a good example of ad targeting. Roma's owners decided to promote their strolling violinist James Diehl. Diehl has a classical background. He used to play with the Buffalo Symphony and frequently performed at the White House. Roma's wanted to advertise to a type of customer who would be the most attracted to his music, so an ad was placed to air immediately before the opera hours on a classical music radio station. The ad has been quite successful, showing that the time the ad airs and the choice of station are both important factors in an advertising strategy.

Lastly, don't forget to keep in mind local community events, such as fairs, parades, sporting events and so forth. When your singers or bands appear, they will certainly gain attention and can create goodwill for your restaurant.

Noted problems . . .

Live music *does* present some problems. For example, how do you entertain diners who wish to hear live music while preserving the quiet for those diners who wish to converse quietly? Using music as a background is one solution. Another possibility is to feature strolling musicians, who play to only one table at a time. Strolling musicians also can save floor space because there is no need for a bandstand.

Some establishments get around the preference problem by offering separate rooms for music and dining. At Strictly Tabu only the front room features live music. Offering soothing music during the early evening hours and more lively music during late hours is another way to cater to different customer wants.

There may also be copyright restrictions. In his book, The *Legal Problem Solver,* Clyde Griffith, NRA general counsel, warns: "U.S. copyright laws protect the rights of composers and publishers of music by requiring payment of royalties to the writers and publishers each time their music is played in a public performance for profit. . . ." Technically, this means that both the restaurateur and the musician could be charged a fee. Generally, however, the performance rights are owned by performing arts societies that negotiate contracts with restaurants. Be sure to check out these requirements, and if you have any specific questions, call NRA's legal department.

There may be other regulations as well. For example, brass and percussion instruments often cannot be

played without a cabaret license. There are also many health and safety regulations about the minimum-size dance floor you may have. A little research can save you time and money in the long run.

Finally, another major limitation to the use of live music can be cost. Try to start out small if you aren't sure how well music will be received as a new attraction, and make sure you have carefully researched the desires and needs of your potential customers. If you want to appeal to younger audiences, for example, you may find that the new high-tech video entertainment may be more suitable than jazz or show tunes.

But don't be too quick to decide live music doesn't work. It may simply take some time to catch on. You don't need to make a full-time commitment. Many operators testify that they have become quite successful by dropping back from live entertainment seven nights a week to four or even two nights.

In sum . . .

As many successful restaurateurs have discovered, adding live music can be an extra bonus for diners as well as for the restaurateur seeking to create a unique signature for his or her operation. ❑

Cabaret is back

Cabaret entertainment—once restricted to the poor, artistic community in Paris—is on its way in America. Originally a potpourri of bizarre humor; biting, political satire and bohemian comraderie between performers and audience, it is today in the United States more an offshoot of legitimate musical theatre—a small, funny and intimate musical revue.

Until recently, cabaret did not have a solid following because its performance record was so sparse. There are, however, several reasons that cabaret may be on its way back.

First of all, cabaret is usually shorter than regular theatre, allowing people to go out for dinner, catch an early show and return home in time to see Johnny Carson. With leisure time becoming more abundant, people are looking for alternatives to television for their entertainment needs; yet they do not want to travel too far. The casual intimacy of cabaret provides a one-stop answer. The expertise and variety of American restaurants can offer new combinations of food and drinks, with beautiful music and funny cabaret entertainment.

Restaurant owners who are contemplating cabaret as a form of entertainment in their establishments must make sure their budgets and facilities can accommodate such a show. A discussion with a theatrical producer is likely to save time, money and headaches.

Depending upon size, traffic patterns, hours of service, type of restaurant and talent and budget available, cabaret entertainment can vary from one to five performers with a piano to a cast and crew of 10 or more. Stage sizes can range from a small platform barely large enough for one performer to a 16 x 32 foot (or larger) theatrical platform that can double as a tier for table service during lunch.

Although small cabaret shows can be produced for audiences of 80 or 100 people, it is difficult to make a profit in a smaller house. A little arithmetic indicates that a company consisting of three actor/singers, a pianist, a director and a stage manager would require about $1,000 minimally per performance in most major cities.

The setting may also need to be altered to include a stage, piano, lights, sound equipment and dressing area. These can range from $3,000 to $25,000 or more, depending upon the size and quality of the stage and backstage technical area. These costs can be recouped, of course, with cover charges and food and beverage minimums as well as favorable publicity.

Technical requirements . . .

Lights are a necessity to focus dramatically on the entertainment, and although not essential, a simple light board is highly beneficial for dimming and altering effects. In addition, some shows require a follow spot for entrances, exits and audience participation segments. Sound equipment with a quality amplifier with mikes for each performer and instument are needed, and adequate speakers at appropriate locations throughout the audience should be balanced to provide a vivid sound without disturbing clientele in other dining areas.

Nervous performers need restrooms even if there are no costume changes. With stage make-up, costumes, wigs and simple props, offstage changing space with running water, a toilet and a small stage area is essential. Unless costumes are taken home each night, there should be a closet or room with a secure lock where they can be stored. One full-length mirror is a minimal requirement, and a private dressing room with a dressing table is even more humane, although this accommodation is rare. Walkie-talkies from the dimmer board, bar or a director's table to the backstage area can help with the crucial timing of a show.

When beginning to plan cabaret entertainment, start developing mailing lists of friends and current customers, theatre goers, business entertainers and others you believe would enjoy cabaret. A card or flier about the show and modest advertising in newspapers and radio can educate the public to your new business (show business!).

Just as overnight miracles happen rarely in the restaurant business, smash hits in cabaret take time to build. For this reason, it is a good idea to guarantee only a minimum to the cabaret producton company and allow the production company and staff to finance the show through cover charge receipts.

—Taira St. John

VIEWPOINT

Restaurant as theatre From an employee's point of view

by Beth Howard

All the world's a stage, and all your waiters and waitresses are actors. While the idea of approaching the restaurant business as theatre is not new, consider approaching the concept from the employee's point of view. Server attitudes seem to improve when these workers view their jobs as a performance. As many psychologists have suggested, satisfaction with one's job encourages job longevity. To an industry plagued by high employee turnover, the finding warrants consideration.

The key elements of a theatrical production can provide the framework for the "performance" of your service staff.

1. A good director. Theatre experts contend that a good director is critical to a production's success. The equivalent in a restaurant is a manager who establishes clear overall objectives and conveys them to employees in order to achieve a unified effort.

2. Talented actors. Casting is the first step of any successful performance. The hiring process involves assessing personal attributes and the applicant's ability to function as a member of a team.

"You've got to have the attitude that the show goes on no matter what," says Lynn Richardson, waitress at Proposition 45 in Charlotte, NC. This attitude is one which should be fostered in every foodservice employee but particularly in the wait staff. As in the theatre, your service staff must be committed to their craft. They should be positive thinkers and articulate speakers and should thrive within a community of other performers. This core group "generates a sense of ensemble essential to the successful performance," says Joy Zinnoman, artistic director of the Studio Theatre in Washington, DC.

3. The team. Without a doubt, the single most important element of any successful theatrical production is the team or ensemble. The same holds true for restaurants. A performance works best if your staff, the cast, works together to present a single, coherent and consistent impression. Allow ample rehearsal (training) time to establish and cement the organization's expectations regarding service, attitudes and apparel, and to foster team relationships.

Performers sometimes neglect their backstage duties since they are not directly a part of the performance. Every member of the cast should know his or her role and the roles of a few other performers so necessary substitutions can be made without a hitch. Evaluate the organizational structure: Do established rules and policies generate or minimize conflict? When conflicts occur, are there outlets for venting tensions behind-the-scenes? Is the kitchen set up to permit smooth interaction between cooks and waitresses? Are all staff members engaged in a single cooperative effort?

4. The set. While a restaurant's aesthetic appeal and atmosphere are important for setting the stage for diners, these concerns sometimes overshadow attention to the restaurant as a functional workspace. Are tables and chairs arranged so that waitresses are not confronted with an obstacle course to the kitchen? Is the kitchen equipped to handle orders from all stations without too much lag time? Are there procedures in place to help occupy guests during a long wait—such as offering free hors d'oeuvres?

Behind-the-scenes areas are also important. Compare the theatre to the typical restaurant. Each has both a front and back region: the front area, the stage or "floor," where the drama takes place and where customers are served; the back (the actor's green room) where cast and crew can drop stage personnas, take a break from the performance and prepare themselves for later appearances. A com-

"Server attitudes seem to improve when workers view their jobs as a performance."

Beth Howard is a freelance writer in Washington, DC, and the author of a study on waitressing and job satisfaction.

fortable area offstage for employee breaks will contribute to their success while onstage.

5. Rehearsal. Job training is as important to restaurants as dramaturgical instruction and rehearsal are to theatre. Since most restaurants have developed systems unique to their operation, the director-manager must provide adequate training before even experienced service help can begin work. A number of rehearsals will ensure that a consistent impression is maintained throughout the restaurant and also will build employee confidence.

Don't neglect interpersonal skills. As Nancy Alred, former waitress at The Rathskeller in Burlington, VT, says: "As a waitress, your livelihood depends on how well you communicate." Familiarize your servers with vocabulary basic to meal preparation, ingredients and wine. Establish a relaxed and congenial environment conducive to pleasant interaction between customer and server as well as between restaurant employees.

" 'A set script doesn't make the customers feel special.' "

6. The script. Providing servers with basic information about your restaurant and your menu—a script—is necessary to effective communication with customers. Insist on regular training sessions. If you offer daily specials, provide a brief description of ingredients and cooking methods prior to each shift so your servers can describe them to your customers. Consider wine and food tastings, already a regular practice in many restaurants. Relaying information is the server's first step in developing a positive rapport with customers. Invest in a few "props," such as decorative pepper grinders which waitresses can take to a table for a quick but appreciated sprinkling on salads and soups. Introduce individual teapots for hot tea drinks. These tools add flair to your servers' performances.

7. Improvisation. Theatres have become highly dependent on the actor's improvisational skills. Restaurants, too, can take advantage of this ready-made job motivator. A learned script, specific greetings and descriptive phrases can stifle natural and genuine server responses and inhibit creative interaction. "A set script doesn't make the customer feel special," observes waitress Judy Latona of The Regent in Washington, DC.

Improvisation, on the other hand, challenges the server to be genuine and creative. While scripting is tempting from the perspective of standardization, simpler directives can boost server interest and motivation. Trust servers to take responsibility. When actors'—and servers'—actions directly reflect their own efforts, they do a good job.

8. Timing. Restaurant timing, like that in the theatre, is based on skillful choreography. Too often the elements involved—server's personal timing, customer flow and kitchen preparation time—seem like the antagonists in a classic tragedy. Coordination requires a grasp of the overview and a willingness to fill in vacant roles when necessary.

While you must rely on the server's innate sense of timing, to some extent you can develop the server's ability to prioritize tasks. Teach servers to establish initial contact, however brief, as soon as customers are seated and until greater involvement is possible. The encounter clues patrons that indeed the show has begun and that their needs will soon be met. Another good policy is to "pick up" and serve hot food before taking another order or opening wine, two time-consuming procedures.

Servers commonly complain that business is either too slow or too fast. While customer flow is normally out of the manager's hands, you can help to strike a balance by assigning the right number and size of tables to individual waiters and waitresses. As Justine Ferraro of Proposition 45 says, "I like it when it's really fast because I feel my pace is better, and when it's slow, your timing is all wrong. You have too much time to think. You start thinking of other things."

Job challenges are important stimulants to job motivation. Just as an actress gains little momentum from a poorly attended play, neither can a waitress sustain the motivation necessary to carry out the drama when given only a small role or limited customer contact. "When it's really slow, I get bored. It makes it harder for me to do things. It's harder for me to psyche myself up because I get out of that frame of mind," adds Ferraro.

You can also improve timing by enlisting the help of busers—members of your supporting cast—who supply the missing, transitional scenes. By pouring coffee or water, removing dishes between courses, and picking up checks at the dinner's finale, the busser can pick up the slack of sloppy pacing. These actions diminish customers' perceptions of server neglect during frantic moments. Busers will find that these added responsibilities and the direct involvement with the performance constitute new challenges. This will reinforce their motivation.

Sponsor staff get-togethers after hours to involve workers in non-work related activities. These activities will also let busers, dishwashers and other supporting cast know that their performances are as valued as the more visible members of the team.

Conclusion . . .

Cooperative team relationships foster support and trust among servers and actors alike. Employees involved in a supportive environment, like their counterparts in the theatre, almost always report greater satisfaction with their jobs. Says Kris Rittenhour, waitress at Propostion 45, "There's security here. Everybody chips in and does their share, and you can know it's going to get done. You can feel proud that you helped make it happen." ❑

"The key element of a theatrical production can provide the framework for your staff."

Fisher's law 59

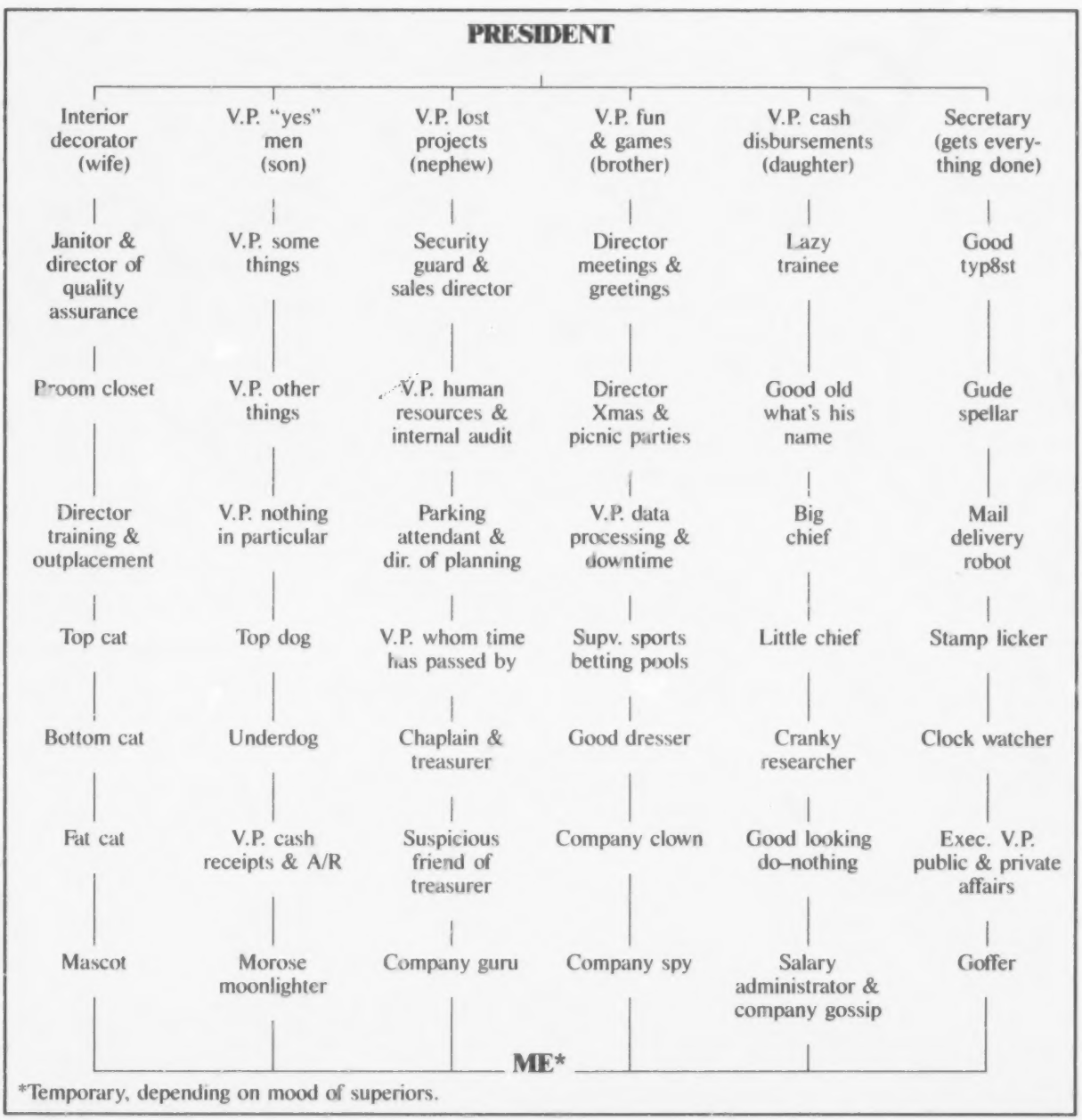
Let's get organized!

A lot of organizations spend a considerable amount of time and money on organizational structure. Some companies adopt one organizational philosophy at one point in time (centralization, for example), change to another format later (decentralization, for example), then reverse themselves back and forth periodically. This certainly adds interest and provides fodder for conversation.

I've worked on organizational structure matters in the past, and I thought you might enjoy the following:

Over the years I've come to a fundamental conclusion about organizational structure, which is best expressed as Fisher's 59th Law:

"Irrespective of the formal design and structure of an organization, if the people involved don't want it to work, it won't! No matter how unorthodox it may appear, if the people involved want it to work, it will!"



*Temporary, depending on mood of superiors.

STATE DEPARTMENT

South Dakota leads state efforts to challenge legislation on drinking age

States are being pressured by Congress to raise the legal drinking age to 21. When the Surface Transportation Act of 1984, a $5 billion highway bill, passed the U.S. House of Representatives, it included an amendment that would withhold a portion of federal highway funds from states failing to raise their legal drinking age to 21 by October 1986. Subsequently, the Senate voted overwhelmingly to pass a similar amendment. The amendment was signed into law by President Reagan this summer.

The measure contains three different spending elements. The first two are incentive grant provisions that directly relate to highways and highway safety. The final element, however, is different in two important respects: (1) it contains a financial *penalty* rather than an *incentive*, and (2) it relates to *state liquor control regulation* rather than to *highway safety*.

Under this provision, states that have not adopted the minimum drinking age by fiscal year 1987 will lose five percent of their federal highway funds; and, in fiscal year 1988, an additional 10 percent will be withheld from states not yet adopting the minimum purchase age. Withholding will apply only to these two years, and withheld funds will be reimbursed to any states subsequently raising their drinking age.

27 states below age ceiling . . .

Hardest hit by the measure, of course, are those 27 states that currently have a lower minimum purchase age. These states stand to lose hundreds of millions of dollars in highway grants should they fail to amend their drinking age statutes. Faced with this dilemma, the states have begun to seriously question the constitutionality of the legislation.

South Dakota is forerunner in constitutional challenge . . .

On September 21, South Dakota became the forerunner in the states' efforts to preserve the integrity of their constitutional right to regulate the sale and possession of alcoholic beverages within their borders. South Dakota Attorney General Mark Meierhenry filed suit in the federal district court alleging that (1) Congress is without jurisdiction to enact laws allowing or prohibiting the sale of alcohol within the state, (2) any such legislation is an unconstitutional violation of states' rights and (3) the Department of Transportation is without authority to enforce any related penal provisions. Although Meierhenry alleges that the Lautenberg amendment is a "unilateral usurpation" of state authority by Congress and a "flagrant violation" of the 21st Amendment, he concedes that South Dakota

22 states permit drinking for those under 21 years of age

State	Age	State	Age
Alabama	19	West Virginia	19 residents; 21 non-residents
Arizona	19		
Connecticut	20		
Florida	19		
Georgia	19	Wyoming	19
Hawaii	18		
Idaho	19		
Iowa	19		
Louisiana	18		
Maine	20		
Massachusetts	20		
Minnesota	19		
Montana	19		
New Hampshire	20		
New York	19		
Rhode Island	20		
Tennessee	19		
Texas	19		
Vermont	18		
Wisconsin	19		

Spirits vs. wine/beer . . .

States that have 21 drinking age law for spirits and 18 or 19-year-old requirement for beer and/or wine:

Colorado
District of Columbia
Kansas
Mississippi
North Carolina
Ohio
South Carolina
South Dakota
Virginia

Keep your customers safe, sound and returning to your establishment.

The American consumer—your customer—is concerned about drunk driving. It makes good business sense for you to be concerned, too. NRA's booklet, poster, coaster and table tents can show you how. With the help of NRA's *Help Prevent Drunk Driving* booklet, you will be able to make the right operational decisions for your establishment. The poster, coaster and table tents will help you take your message to customers.

Help prevent drunk driving.

☐ Yes, I'm concerned. Send me more inforamtion on NRA's Help Prevent Drunk Driving materials.

name

company

address

NRA, Communciations Department, 311 First St., NW., Wash., DC 20001

Send for more information today.

is certainly in agreement with Congress and the President on one point—"that the loss of life and property resulting from alcohol-related automobile accidents constitutes an American catastrophe."

In fact, the South Dakota legislature has enacted and strictly enforced a number of statutes dealing with intoxicated drivers. As a result, the number of alcohol-related traffic fatalities in the state has declined by 30 percent between 1981 and 1983. At the same time, South Dakota faces losses of $4,156,000 in highway funds in 1987 and $8,312,000 in 1988 as a result of federal intervention.

Because a state cannot bring suit against the United States unless it consents to be sued, and since the Lautenberg amendment does not grant the right to sue, the South Dakota suit is brought against Secretary of the Department of Transportation Elizabeth Dole on the grounds that the Secretary's jurisdiction in enforcement—withholding highway funds—is unauthorized because her statutory powers are constitutionally void.

Currently, the South Dakota lawsuit is pending adjudication, and Attorney General Meierhenry is urging other states to "follow suit."

State associations hold expositions during hospitality month

In keeping with the October "Restaurant Hospitality Month" theme, a number of state associations selected that month to schedule their annual foodservice expositions. Geared to provide information to all facets of the foodservice industry—including restaurants, institutional feeders, caterers and lounges—these shows featured seminars, equipment displays and a wide range of special events and speakers.

The *Missouri Restaurant Association's* 34th Annual Foodservice and Equipment Exposition, provided educational sessions with topics ranging from "Proven Ideas to Increase Sales and Profits" to "Food Cost Control." MRA's keynote speaker was Ted Balestreri, president of the California Restaurant Association and NRA vice president.

Similarly, the *Kansas Restaurant Association* held its 51st Annual Midway USA Regional Foodservice Exposition. It featured nearly 200 exhibitors. Attendees were invited to share in KRA's Oktoberfest—complete with German cuisine and entertainment.

Held in Atlanta, the 5th Annual Southeastern Hospitality and Foodservice Show, produced by the *Georgia Hospitality and Travel Association*, offered an International Wine Festival with wine tasting sessions, 400 exhibits and seminars designed for the connoisseur and the novice alike. Attendees were favored by an address from Georgia Governor Joe Frank Harris.

Organized by the *Illinois Restaurant Association*, the 3rd Annual Midwest Regional Foodservice Show included 350 exhibitors and the 5th Annual Chicago Culinary Arts Salon.

—Shannon Tuel

BOARD ROOM

President Reagan honors NRA for its efforts to employ the handicapped

On December 20, 1984, President Ronald Reagan presented a plaque to NRA President Harris O. Machus (Harris O. Machus Enterprises, Birmingham, MI) in the Oval Office of the White House in recognition of NRA's effort to promote employment of the developmentally-disabled in foodservice.

Last summer NRA endorsed the President's initiative to strengthen private sector job opportunities for the developmentally-disabled by pledging to secure 10,000 jobs for the handicapped in 1984. This recent honor was in recognition of the effort made by NRA.

Commenting on NRA's six-year program on behalf of the handicapped, NRA President Harris Machus said, "The National Restaurant Association is committed to finding meaningful employment for the handicapped in foodservice, an industry traditionally hampered by high employee turnover rates. The association has met its goal to secure 10,000 jobs for the handicapped in 1984 and has pledged to obtain an additional 10,000 jobs in 1985."

NRA is a participant in Projects With Industry

President Reagan honors NRA President Harris Machus for the association's efforts to promote employment of the developmentally disabled.

(PWI), a government-industry program that funds training for the handicapped and mentally-disabled. The association encourages rehabilitation services and facilities to approach area restaurant associations and establishes direct links among vocational rehabilitation counselors, training centers and industry employers.

The developmentally-disabled, an expected 3.9 million individuals in the United States, are persons with severe chronic disorders manifested early in life. They include those who are mentally-retarded and autistic as well as individuals suffering from cerebral palsy, epilepsy and other impairments.

NRA Director Peterson tells of foodservice opportunities

NRA Director Jim Peterson (Whataburger, Inc., Corpus Christi, TX) recently addressed 350 leaders in vocational education at NRA's annual hospitality education breakfast in New Orleans, LA. Peterson delivered an early-morning presentation outlining the tremendous opportunities available in foodservice to anyone with a willingness to work and a desire to learn. NRA's hospitality education breakfast is held each year at the American Vocational Association convention.

NRA Director Jim Peterson discussed foodservice opportunities at NRA's annual hospitality education breakfast during the American Vocational Association Convention in New Orleans.

Machus urges foodservice execs to join industry fight against new Treasury tax proposal

NRA President Harris Machus (Harris O. Machus Enterprises, Birmingham, MI) recently told board members of the Restaurant Association of the State of Washington and the Washington State Lodging Association that "This is the time for the hospitality industry to speak with one strong voice. Today the risk of government intervention may be greater than anytime in recent decades."

Machus was referring to the foodservice industry's opposition to the Treasury Department revision to the income tax code, a provision that would limit the deductibility of business meals to $10 per person for breakfast, $15 for lunch and $25 for dinner.

Sympathizing with the government's need to reduce the federal deficit, Machus said, "We are all in agreement that the federal deficit should be reduced; however, we would like to see that goal achieved without restraining the growth of the private business sector. . . .

"Entertaining a prospective client, customer or supplier at a meal is a legitimate cost of doing business. It should be categorized as a promotional expense. In fact, capping the business meal deduction is analogous to placing an artificial limit on the promotional budget of a corporation."

With research indicating that most restaurants operate on a four to five percent profit margin, Machus said that a reduction in the business meal deduction would necessitate the closing of many nationally-acclaimed restaurants and result in employment disruption for thousands of foodservice employees. His address also revealed startling new findings from Chase Econometrics, a respected economic research firm, pointing to decreased federal and state revenues, a rise in the national unemployment rate and increases in the federal deficit if Treasury's proposal were enacted.

Chase Econometrics predicted the following consequences if the proposed reduction in business meal deductions were enacted in 1986:

- the loss of 140,000 jobs in the total economy and a rise in the national unemployment rate of one-tenth of one percent the first year.
- a net loss in the first year of $1.1 billion to local, state and federal treasuries through decreased personal income and Social Security taxes and increased federal government expenditures for unemployment compensation and welfare payments. (The net loss would be $540 million to state and local treasuries and a projected $570 million to the federal government.)

Voicing the concerns of the foodservice industry, Machus told these foodservice executives, "At a time when reducing the federal deficit is a primary concern, it would be counterproductive to change the tax law in a manner which reduces federal revenues by a significant amount and at the same time seriously disrupts an industry that accounts for five percent of the gross national product.

"The hospitality industry provides America with high-quality food and lodging away from home. It provides jobs for millions. It makes a significant contribution to the economy and to local, state and federal treasuries. Working together, we can and must convince our political leaders to preserve the conditions which allow us to accomplish all this and more."

—Dorothy Dee

FOODSERVICE TRENDS

Current and projected employment trends in the foodservice industry

For at least another decade job opportunities in the foodservice industry will continue to outpace those in most other industries. According to Bureau of Labor Statistics' employment projections, jobs in foodservice will jump 32 percent between 1982 and 1995, compared with a slower 25 percent average gain for all occupations.

Demographic trends will affect employment patterns . . .

Several demographic factors will alter the makeup of the work force and thus affect the total employment picture through the next decade. For instance, the aging population will mean that there will be fewer young workers to accept entry-level jobs. The number of employees between the ages of 16 and 24 is expected to drop substantially between 1982 and 1995—14 percent. The bulk of the labor force will be between 25 and 55 years of age, and the 35 to 44-year-old segment will experience the largest increase—64.4 percent.

Another trend that will affect the pool of available workers is the continuing influx of women into the labor force. Women will account for almost two-thirds of the growth in the work force between 1982 and 1995. Blacks and other minority groups will also account for a large proportion of the growth—almost a quarter.

Economic and lifestyle trends will affect employment trends during the next decade as well. Service industries, such as foodservice, should prosper as personal income rises with the growth of two-income families and consumers place increasing emphasis on convenience. This trend will help boost foodservice industry sales and increase the number of foodservice employees.

Proportion of major occupations in eating and drinking places for 1995

Bartenders	5.1%	
	4.8%	Clerical workers
Cooks	13.3%	
	1.9%	Hosts/hostesses
Fast food preparation and service workers	16.4%	
	8.6%	Kitchen helpers
Managers, officials,	7.3%	
	26.8%	Waiters/waitresses
Waiter assistants	3.7%	
	12.1%	Other
Total	**100.0%**	

Source: Bureau of Labor Statistics

Restaurant cooks fastest growing foodservice occupation . . .

Among the general foodservice occupational categories (which include both institutional and commercial workers), restaurant cooks will experience the fastest growth with total jobs increasing 42 percent between 1982 and 1995. Food preparation and service workers at fast food restaurants will post the second strongest gain—37 percent. Jobs for bartenders; hosts/hostesses; kitchen helpers; pantry, sandwich and coffee makers; and waiters/waitresses will also experience above average increases.

Waiters and waitresses will continue to be the largest employment segment among foodservice occupational groups. The number of waiters and waitresses should reach 2.2 million by 1995, accounting for a quarter of foodservice jobs. Cooks capture the number two spot with 18 percent of all foodservice occupational positions.

Eating and drinking place employment . . .

The Bureau of Labor Statistics also projects employment growth among specific industries. Employment projections for the eating and drinking place segment (which do not include individuals employed in other areas of the foodservice industry, such as institutional workers) show that the number of eating and drinking place employees will jump 37 percent between 1982 and 1995. Top growth will occur among cashiers (50.0 percent); restaurant, cafeteria and bar managers (46.6 percent) and restaurant chefs (46.2 percent). Jobs among kitchen helpers and bartenders should also increase faster than the industry average.

Waiters and waitresses comprise the largest proportion of eating and drinking place employees—27 percent. Food preparation and service workers at fast food restaurants make up the second largest group, accounting for 16 percent of all eating and drinking place employees.

Foodservice job replacement rates . . .

Another way to look at the overall job outlook is to examine the average replacement rates for different foodservice occupations. These projected rates estimate the percentage of workers that will change occupations or leave the labor force each year. Since the majority of job openings are created by the need to replace workers, projected re-

placement rates can help estimate future employment needs.

According to Bureau of Labor Statistics data, the average projected replacement rate for all industries will be 19.4 percent between 1980 and 1990. This means, on the average, 19.4 percent of all workers are expected to change jobs or drop out of the labor force each year during the period between 1980 and 1990.

Most foodservice occupations experience higher than average replacement or turnover rates. For instance, among the reported foodservice occupations, the highest replacement rate is expected to be among waiter assistants—57.7 percent. Dishwashers are second with a projected 51.8 percent average replacement rate. Food counter and fountain workers follow with a 47.2 percent replacement rate.

One reason for the high turnover in these categories is the large number of teenagers employed in these jobs. According to BLS data, 48.3 percent of the workers between 16 and 19 years old left their jobs during 1980.

The lowest turnover among foodservice occupations is expected to be in the restaurant, cafeteria and bar manager category—18.9 percent. Cooks and bartenders also will experience comparatively moderate turnover, with projected replacement rates of 30.2 percent and 31.0 percent, respectively.

Projected replacement rates* 1980–1990

Restaurant, cafe and bar managers	18.9%
Other foodservice workers	26.8%
Cooks	30.2%
Bartenders	31.0%
Waiters/waitresses	39.8%
Food counter, fountain workers	47.2%
Dishwashers	51.8%
Waiter assistants	57.7%
Total employees, 16 years old and over	**19.4%**

** Projected replacement rates estimate the percentage of workers that will change occupations or leave the labor force each year between 1980 and 1990.*

Source: Bureau of Labor Statistics

Foodservice occupational employment projections* (000)

Occupation	Employment 1982	Employment 1995	Percent change
Bakers, bread and pastry	36	46	28%
Bartenders	384	505	32%
Butchers, meat cutters	191	179	−6%
Cooks and chefs	1,211	1,613	33%
• Institutional	423	536	27%
• Restaurant	351	500	42%
• Short order and fast food	437	578	32%
Food preparation and service workers, fast food restaurants	809	1,106	37%
Hosts/hostesses	113	154	36%
Kitchen helpers	850	1,155	36%
Pantry, sandwich and coffee makers	84	112	34%
Restaurant, cafeteria and bar managers	574	711	24%
Waiters/waitresses	1,665	2,227	34%
Waiter assistants	302	388	29%
All other foodservice workers	559	734	31%
TOTAL	**6,778**	**8,931**	**32%**

**Does not include professional, technical or sales workers. The National Restaurant Association estimates that, including all sectors of the foodservice industry, there are approximately eight million individuals currently employed in foodservice.*

Source: Bureau of Labor Statistics

Eating and drinking place employment projections* (000)

Occupation	Employment 1982	Employment 1995	Percent change
Bread and pastry bakers	22	30	36.4%
Bartenders	240	333	38.8%
Clerical workers	224	314	40.2%
Cashiers	150	225	50.0%
Cooks and chefs	630	871	38.2%
• Restaurant	260	380	46.2%
• Short order and fast food	369	490	32.8%
Food preparation and service workers, fast food restaurants	783	1,074	37.2%
Hosts/hostesses	93	127	36.6%
Kitchen helpers	392	567	44.6%
Managers, officials and proprietors	329	480	45.9%
• Restaurant, cafeteria and bar managers	311	456	46.6%
Pantry, sandwich and coffee makers	52	71	36.5%
Professional, technical and related workers	30	41	36.7%
Waiters/waitresses	1,320	1,757	33.1%
Waiter assistants	193	241	24.9%
Other workers	473	646	36.6%
TOTAL	**4,781**	**6,552**	**37.0%**

**Only includes workers included in SIC code 58 and does not include workers in other foodservice segments, such as institutional and lodging employees.*

Source: Bureau of Labor Statistics

Average annual openings . . .

It is possible to estimate the number of average annual openings for foodservice occupations by combining the total number of jobs generated by people leaving their positions and the number of new jobs created by expansion.

For instance, waiters and waitresses make up the largest employment category among the foodservice occupations and have a relatively high replacement rate—39.8 percent. Consequently, the number of waiter and waitress jobs generated annually by workers leaving positions is expected to be a substantial 774,000 between 1982 and 1995. Adding the number of new jobs created each year (40,000) brings the total average annual openings to 814,000 per year.

Another large employment sector, cooks and chefs, is projected to average 455,000 openings annually. Of this figure, 426,000 should come from annual replacement openings, and 29,000 should come from new jobs created by expansion.

Waiter assistants, a fairly small employment category with a very high replacement rate, should average 205,000 openings annually. Only 6,000 new job openings are expected due to the small size of the segment. The balance—199,000 openings—is projected to come from replacement needs.

A total of 131,000 average annual openings is projected for restaurant, cafeteria and bar managers. On average, 10,000 new jobs will be created in this segment each year, and 121,000 openings are expected to come from replacement needs.

Although the bartender sector is smaller than the restaurant, cafeteria and bar manager group, bartenders are expected to average a higher number of annual openings—138,000. This is due to the somewhat higher 31.0 percent replacement rate in this segment. The number of new jobs in this group is expected to average 9,000 per year. This brings the total average openings to 147,000.

Average annual job openings 1982–1995

	Replacement jobs	New jobs	Total openings
Waiters/waitresses	774,000	40,000	814,000
Cooks	426,000	29,000	455,000
Waiter assistants	199,000	6,000	205,000
Bartenders	138,000	9,000	147,000
Restaurant, cafe and bar managers	121,000	10,000	131,000

Source: Bureau of Labor Statistics, NRA

Current employment patterns . . .

Because future trends often grow out of current patterns, the following sections highlight the results of the *1980 Census of Population* to illustrate the current employment patterns in the foodservice industry.

According to the census, almost two-thirds of all foodservice workers are women. Women outnumber men in six out of 10 reported occupational categories. Occupations employing the largest percentage of women are waiters and waitresses (88 percent), food counter and fountain workers (81 percent) and kitchen and food preparation workers (78 percent).

More men than women are employed in only four occupational segments: managers (66 percent), short order cooks (62 percent), waiter and waitress

Proportion of foodservice employment by sex

	Male	Female
Bartenders	56%	44%
Cooks, except short order	42%	58%
Short order cooks	62%	38%
Food counter and fountain workers	19%	81%
Kitchen and food preparation workers	22%	78%
Managers, eating and drinking places	66%	34%
Supervisors	43%	57%
Waiters/waitresses	12%	88%
Waiter/waitress assistants	57%	43%
Total foodservice workers	**36%**	**64%**

Source: *1980 Census of Population*, U.S. Department of Commerce

Foodservice employment profiles

The Bureau of Labor Statistics presents employment profiles for a number of occupations based on data from the occupational employment statistics survey and the current population survey. The following summarizes BLS employment profiles for three major foodservice occupations using 1982 data.

Bartenders

Selected characteristics of workers:

- females—50.0 percent
- part-time workers—34.7 percent
- blacks—2.6 percent

Industry concentration of employment:

- eating and drinking places—70.5 percent

Cooks and chefs

Selected characteristics of workers:

- females—49.9 percent
- part-time workers—38.9 percent
- blacks—15.3 percent

Industry concentration of employment:

- eating and drinking places—54.5 percent
- educational services—20.7 percent

Waiters and waitresses

Selected characteristics of workers:

- females—88.6 percent
- part-time workers—58.1 percent
- blacks—13.0 percent

Industry concentration of employment:

- eating and drinking places—80.3 percent
- hotels and other lodging places—8.9 percent

assistants (57 percent) and bartenders (56 percent).

Half of all workers are under 24 years of age . . .

The foodservice industry hires a substantial number of young employees. According to the *1980 Census of Population*, almost half of all foodservice workers are between 16 and 24 years old. A whopping three in ten workers are teenagers aged 16 to 19. In comparison, the proportion of teenagers employed in all industries is a small seven percent. At the other end of the spectrum, a relatively small proportion of foodservice employees is over 55 years old—12 percent. Interestingly, the median age for foodservice workers varies by sex. The median age for male employees is 22 years, while the median for female workers is a higher 30 years.

The census details age group information in two foodservice occupational categories—waiters/food counter workers and cooks.

Proportion of weekly hours among foodservice workers

Weekly hours	Total foodservice occupations	Waiters/ food counter workers	Cooks
1–14 hours	14%	15%	10%
15–34 hours	42%	49%	37%
35–40 hours	33%	28%	39%
Over 40 hours	11%	8%	14%
Total	**100%**	**100%**	**100%**

Source: *1980 Census of Population*, U.S. Department of Commerce

Proportion of foodservice employees by age and sex

	Male	Female	Total
16–19-year-olds	14%	15%	29%
20–24-year-olds	7%	11%	18%
25–34-year-olds	6%	11%	17%
35–44-year-olds	3%	9%	12%
45–54-year-olds	3%	9%	12%
55–64-year-olds	2%	7%	9%
65 years old and over	1%	2%	3%
Total	**36%**	**64%**	**100%**

Source: *1980 Census of Population*, U.S. Department of Commerce

Spotlight on fast food workers

Fast food restaurants represent one of the largest segments of the foodservice industry and naturally generate a substantial number of jobs. Here are some characteristics of fast food workers as reported in *Fast Food Jobs*, a study produced by the National Institute for Work and Learning.

According to the report, fast food restaurants generally employ a larger than average number of young people. Seven out of 10 fast food workers are under 21 years old. A substantial 43 percent are between 18 and 20 years old. Only 16 percent of fast food workers are over 25 years old—a remarkably low percentage.

The mean length of employment for most fast food employees is about a year and a half. One quarter of fast food workers stays with their jobs over two years, and a similar proportion is employed for six months or less.

A large number of fast food workers are part-time employees. The study reports that 14 percent of fast food employees work less than 16 hours a week. Almost a quarter work between 16 and 24 hours a week. One in three employees generally work between 26 and 35 hours a week. Only 32 percent are full-time workers and average more than 35 hours per week.

In general, a larger number of young people are employed as waiters and food counter workers, and a greater proportion of cooks are older workers.

For instance, 55 percent of all waiters and food counter employees and 40 percent of all cooks are 16 to 24 years old. On the other hand, only 15 percent of the waiters and food counter workers are over 45 years old, while almost one in three cooks are 45 years old and over.

The median age for men and women also varies for these occupational categories. In the waiter and food counter segment, the median age for both male and female workers is about 24 years. For cooks the median age varies by sex. The median age for male cooks is 21 years, while the median age for female cooks is a much higher 42 years.

Many part-time workers in foodservice . . .

The *1980 Census* reports that more than half of all foodservice employees work less than 35 hours a week. This compares with a much lower 21 percent recorded for all industry workers. Fourteen percent of foodservice employees work less than 15 hours per week versus five percent of all industry workers.

One out of three foodservice employees work 35 to 40 hours each week, compared with a larger 54 percent of all industry workers. And, fewer foodservice workers are apt to work more than 40 hours a week—11 percent—than individuals in other occupations—26 percent.

Looking at individual occupational categories shows that waiters and food counter workers are more likely to work shorter hours than cooks. Almost two-thirds of all waiters and food counter employees work less than 35 hours a week compared with about half the cooks. Along the same lines, 14 percent of all cooks work more than 41 hours a week, versus only eight percent of waiters and food counter workers.

Foodservice employment—a challenge . . .

During the next decade, operators will face continued high turnover rates and declining numbers of young workers. To combat these factors, operators may have to focus on other potential employee segments, such as older workers and handicapped individuals. Other possible solutions may include increased training and tuition credit programs and improved benefit packages to make employment more attractive.

—Cecelia Niepold

1985 food costs to rise at a moderate pace

There should be no surprises in food cost increases in 1985. NRA expects wholesale food prices to rise 5.0 percent in 1985, similar to 1984's gain. Economists at U.S. Department of Agriculture's (USDA) Agricultural Outlook Conference agree that the increase will be moderate. A relatively small advance in marketing costs, more moderate consumer demand due to a slowdown in economic growth, and adequate supplies will help hold down food costs.

This article highlights the latest USDA commodity information so operators can get a better understanding of what will be happening to wholesale food costs in the coming months.

Beef production down . . .

Beef production will decline in 1985 due to a sharp reduction in the slaughter of cattle. A lower inventory, higher cattle prices and improved forage conditions are behind the reduction in slaughter. As a result of lower beef supplies and continued consumer demand, beef prices should increase slightly in 1985.

Outlook:

- Overall, beef supplies this year are expected to be three to four percent lower than in 1984, and total production is estimated to reach 22.5 billion pounds versus 23.5 billion pounds last year.
- During the first half of the year, beef production should decline four to six percent from 1984's level. During the second half of 1985, production is estimated to drop two to five percent.
- The price for choice grain-fed steers at Omaha should peak at $70 per cwt. in the spring—an advance of 6.1 percent from $66.01 per cwt. in spring 1984.
- For the entire year, prices are expected to average between $65 to $69 per cwt.—up a slight 3.1 percent from an anticipated $65 per cwt. for 1984.

Pork production to approximate 1984 levels . . .

Pork production in 1985 is expected to approximate 1984 levels. Production will decline in the first half of the year as hog producers start rebuilding their inventories, it should rebound in the second half. Prices are expected to climb slightly because of lower beef supplies and moderate consumer demand.

Outlook:

- For the year, pork supplies should total 14.6 billion pounds, mirroring 1984's level.
- Production in the first quarter is expected to reach 3.6 billion pounds—down three percent from 3.7 billion pounds in the first quarter of 1984.
- Second quarter production should drop another two percent, from 3.7 billion pounds in 1984 to 3.6 billion pounds.
- In the second half of the year, pork supplies are forecast to advance two percent from 1984's comparable period.
- Hog prices in the seven major markets will advance 4.2 percent in the first quarter of this year over 1984 prices—from $48 per cwt. to $50 per cwt.
- Second quarter hog prices should range between $48 to $54 per cwt.—a gain of 4.1 percent from $49 per cwt. in 1984's comparable period.
- USDA expects pork prices at the wholesale level will rise 3.9 percent in the third quarter and advance 7.5 percent in the final three months of 1985 over the same period in 1984.
- For the entire year, prices should average $51 per cwt.—a 5.1 percent gain over the anticipated $48.50 per cwt. in 1984.

Broiler supplies to increase . . .

Broiler output is forecast to reach 13.6 billion pounds in 1985—up about five percent from 1984, according to USDA Economist Alan Baker. Lower feed costs, higher beef and pork prices as well as a slowly expanding economy will all affect supplies. Increased supplies translate into lower broiler prices in 1985 as prices will likely average below 1984 levels through the first three quarters of the year.

Outlook:

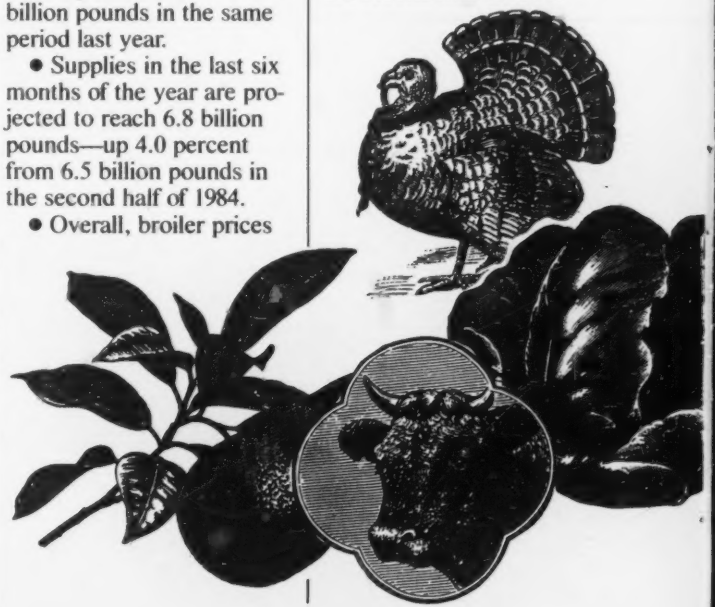
- Broiler production should advance 6.3 percent in the first quarter, increasing to 3.3 billion pounds from 3.1 billion pounds in the first quarter of 1984.
- Second quarter production is expected to total 3.5 billion pounds versus 3.4 billion pounds in the same period last year.
- Supplies in the last six months of the year are projected to reach 6.8 billion pounds—up 4.0 percent from 6.5 billion pounds in the second half of 1984.
- Overall, broiler prices this year should average 48 to 54 cents per pound, down 7.3 percent from 54 to 56 cents per pound in 1984.

Egg production up through 1985 . . .

The egg industry has more than recovered from the outbreak of avian flu last winter. In the third quarter of 1984, production rose, and supplies will more than likely continue to rise for the remainder of 1984 and into 1985. This increased production should result in lower egg prices in 1985.

Outlook:

- Egg supplies should be up in all four quarters in 1985 over comparable periods in 1984. For the year, production should rise 2.2 percent to 5.8 billion dozen.
- During the first half of 1985, the wholesale price of cartoned Grade A large eggs in New York is expected to average 64 to 69 cents per dozen, down from 93 cents a dozen in 1984—a decline of 28.5 percent.
- In the second half of 1985, egg prices should approximate the 68.5 cents per dozen anticipated for the second half of 1984.



Percent change in wholesale commodity prices (1976 to first 10 mos. 1984)

Commodity	1976 to 1977	1977 to 1978	1978 to 1979	1979 to 1980	1980 to 1981	1981 to 1982	1982 to 1983	10 mos. 1983 to 10 mos. 1984
Bakery products	3.5%	7.8%	10.0%	11.7%	8.3%	3.3%	3.2%	4.9%
Flour and cereal	−5.8	13.1	12.4	12.3	−7.0	−5.3	1.1	1.8
Beef and veal	1.0	28.4	24.7	3.2	−5.0	−0.8	−3.3	−0.6
Other meats	−4.4	16.7	−2.8	−2.7	7.6	16.9	−8.7	−1.8
Poultry and eggs	0.1	8.1	0.7	1.0	2.4	−6.7	3.2	16.1
Fish and shellfish	8.0	6.4	22.6	−3.2	1.8	11.8	6.3	9.6
Sugar and sweets	−7.2	6.6	6.9	35.4	−2.9	−2.6	5.0	2.7
Vegetables	4.2	6.0	2.0	7.5	22.6	−4.4	1.2	12.0
Fruits and juices	12.0	17.6	8.7	4.2	4.1	2.9	2.9	6.2
Beverages	43.5	−8.6	0.8	0.8	−2.3	4.5	1.3	5.0
Dairy products	3.0	8.6	12.1	12.1	6.4	1.3	0.6	nc
Fats and oils	14.0	6.1	6.4	6.4	2.1	−1.4	8.8	4.2
NRA Food Cost Index	**5.8%**	**11.2%**	**12.2%**	**5.0%**	**3.0%**	**2.5%**	**0.7%**	**5.0%**
Producer Price Index, All Food Index[1]	**4.4%**	**10.5%**	**9.5%**	**8.0%**	**3.1%**	**1.1%**	**1.1%**	**5.0%**

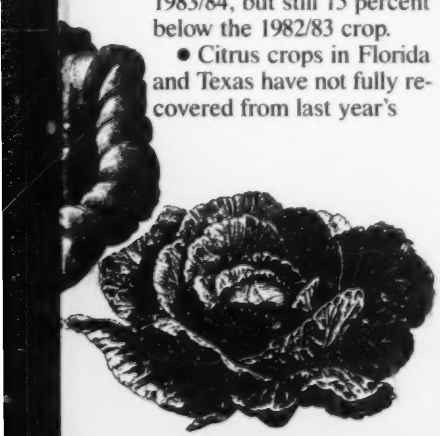
[1] *Includes all processed foods (except soft drinks, alcoholic beverages and animal feeds) plus eggs and fresh and dried fruits and vegetables.*
Sources: *Producer Price Index*, Bureau of Labor Statistics; NRA

Smaller fruit supplies anticipated . . .

According to USDA, smaller supplies of fruit can be expected during the 1984/85 season. Although lower supplies and rising demand for fresh fruit will keep prices relatively firm, moderate gains in marketing, labor and transportation costs will work to dampen wholesale fruit price gains.

Outlook:

- USDA's 1984/85 projection for citrus production is 11.5 million tons—an eight percent increase over 1983/84, but still 15 percent below the 1982/83 crop.
- Citrus crops in Florida and Texas have not fully recovered from last year's freeze. Because the citrus supplies coming out of Texas are insignificant, they are not being included in the forecast for total citrus production.
- Despite larger 1984/85 citrus crops, most citrus prices should remain at a high level because of strong consumer demand.
- The 1984/85 non-citrus crop production, including major tree fruits, grapes and strawberries, is forecast at 12.9 million tons, approximating the 13.0 million tons produced last year.



Vegetable supplies on the rise . . .

Based on 1984 production, the 1985 supply of vegetables, potatoes and dry edible beans is expected to increase. Because fresh vegetable prices were relatively high last year, growers are going to increase plantings in 1985. As a result of these increased vegetable supplies, prices should decline.

Outlook:

- Consumer demand for vegetables and potatoes will have a positive effect on vegetable production.
- The growing popularity of vegetables, such as broccoli and cauliflower, will prompt additional production.
- Technological advances, resulting in greater productivity from existing acreage, will help to increase vegetable output.

Slight increase in dairy output expected . . .

Throughout 1984, the dairy industry has been greatly affected by the government's diversion program, a program which was implemented to reduce supplies. Under this program, participating milk producers are paid $10 per cwt. to reduce milk output by five to 30 percent. So far, 1984 figures reveal that the program is helping to reduce output. Milk production has declined 2.8 percent, from 140 billion pounds in 1983 to 136 billion pounds. The program is scheduled to end in March 1985, and chances are it will not be extended.

Outlook:

- In 1985, milk production is expected to be up about one percent to 137 billion pounds from 136 billion pounds in 1984.
- The price of milk is forecast to drop 35 to 75 cents below 1984's expected level of $13.37 per cwt.
- Lower prices are also expected for milk-based products, such as butter and cheddar cheese.

Current issues report: 1985 food supplies and policies

In early February, NRA will publish a report that will project food supplies and prices for 1985. This report will include an in-depth analysis of the food situation from USDA's point of view as well as projections from many of the major food commodity trade associations.

Juice up your profits with orange juice

Even though orange juice consumption is on the rise, restaurateurs aren't taking advantage of its juicy potential. Between 1979 and 1984, orange juice consumption increased 16.5 percent from 944 million gallons to 1.1 billion gallons; but in 1984, only 25 percent of all orange juice was consumed away from home.

Yet according to *1984 Menu Census*, orange juice has become one of the best selling beverages in the industry, ranking among the top five.

Customer preferences . . .

One reason for the juice's popularity is that many people prefer it to such beverages as soft drinks or coffee. In fact, a 1982 survey conducted for the Florida Department of Citrus by Market Facts, Inc. indicates that four out of 10 consumers reported they would order orange juice throughout the day if it were available. The report also suggests that many consumers like drinking orange juice over ice.

Customers interviewed also seem to prefer larger servings of orange juice—12-ounce and 16-ounce glasses over the smaller six-ounce and eight-ounce servings. Additionally, almost one-third of the consumers indicate that they would rather pay 10 cents more for a 16-ounce serving of orange juice than they would for a 16-ounce glass of their regular beverage.

Where is orange juice being served? . . .

Commercial restaurants make up about 42 percent of all away from home orange juice sales, with the rest occurring at institutional foodservice operations, such as schools and hospitals. In 1984, commercial restaurants are expected to sell 114 million gallons of orange juice, an advance of 2.3 percent from 1983 when consumption was 111.2 million gallons.

Among commercial restaurants slightly more than half (55 percent) serve orange juice, reveals the Florida Department of Citrus. However, some types of restaurants are more likely than others to offer orange juice on their menus. In 1984, nearly nine out of 10 hotel/motel restaurants listed orange juice on their menu—more than any other type of eating establishment.

In addition, about six out of 10 tableservice establishments, operations in which over 50 percent of the food is served at the table, offer orange juice. A nearly equal proportion of counter service restaurants (diners or cafeterias) served orange juice in 1984. Four out of 10 fast food restaurants served orange juice in 1984, up substantially from 1981 when one-third of these establishments offered this beverage. Much of this growth can be attributed to the increasing number of fast food restaurants that now serve breakfast.

Who drinks orange juice? . . .

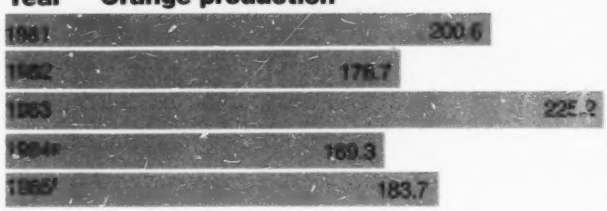
People of all ages drink orange juice, but two groups in particular stand out as ardent drinkers. Consumers under 18 years old drink 12.5 percent more orange juice than the average American, and consumers 50 years and older drink 24.0 percent more orange juice than the national average, according to a study measuring "in-home" orange juice consumption by the Florida Department of Citrus.

Individuals 18 to 34 years old tend to drink considerably less orange juice at home than the U.S. norm. NRA's *Meal Consumption Behavior* study reveals that these people are likely to skip breakfast, and therefore it is not surprising that their in-home consumption is lower. (Three-fourths of the orange juice that is consumed at home is drunk at breakfast.) Since this group eats breakfast away from home more frequently than most Americans, they are probably drinking much more orange juice than these low in-home consumption figures indicate.

There are also differences in orange juice consumption between men and women. Teenage boys drink an overwhelming amount of orange juice at home—60 percent more than the U.S. average for all men. However, girls in this age group consume 25 percent less orange juice than the U.S. norm for women. Girls six and under drink 22 percent more orange juice than the average for all women versus boys in the same age group who

U.S. orange production 1981 to 1985

(millions of boxes)



p—projected f—forecast

Source: U.S. Department of Agriculture

1984 in-home orange juice consumption by age and sex

Age	Total consumption by age	Consumption by sex	
		Male	Female
U.S. average	100	100	100
6 and under	109	92	122
7 to 12	109	117	100
13 to 17	121	160	75
18 to 24	73	85	61
25 to 34	72	78	82
35 to 49	89	85	91
50+	124	128	120

NOTE: *The index is based on the proportion of orange juice consumed by the individuals in the segment, divided by the proportion of people in that group. For example, the 109 index for children six and under indicates that these children drink nine percent more orange juice than the national average. The U.S. average is considered to be the base and is indexed at 100.*

consume eight percent less orange juice than the U.S. norm for men.

Both men and women over 50 years old drink above average quantities of orange juice at home. For men the amount is nearly 30 percent above the male average, and for women the amount is approximately 20 percent above the national level for women.

Regional Consumption . . .

Regionally, consumers in the Northeast drink more orange juice than those in any other region—30 percent above the national average. No other region comes close to the Northeast's consumption level. Consumers in the Western and Central states drink eight and nine percent less orange juice, respectively, than the U.S. norm, while consumers in the South drink a substantial 13 percent below the national average.

Unpredictable Mother Nature . . .

Unlike other beverages, Mother Nature can seriously affect orange supplies as well as prices. During the past few years, Florida, which produces about 90 percent of the oranges used to make orange juice, has suffered several freezes. After the 1982 freeze, orange production fell to 176.7 million boxes, a decline of 11.9 percent from 1981's level of 200.6 million boxes. Orange juice prices rose sharply as a result. In January 1982, the Producer Price Index for frozen orange juice climbed 29.8 percent from the same month in 1981, while the February index rose 20.5 percent over February 1981.

The 1984 freeze did even more harm to Florida orange production and managed to practically wipe out Texas orange crops as well. Overall, orange production fell 24.8 percent in 1984 to 169.3 million boxes from 225 million boxes in 1983. As a result, prices have climbed dramatically. In January 1984, before the freeze, the wholesale cost of frozen orange juice rose a moderate 4.1 percent over the same month in 1983. During February, after the freeze had hit, orange juice prices skyrocketed 20.2 percent over February 1983. During the first 10 months of 1984, prices have risen a steep 25.8 percent over the same period a year earlier.

Diseases can also take a toll on orange juice supplies. The most recent plight is the citrus canker, a bacterial disease that can kill a tree within two years. There is no known cure except to burn the infected trees and those within a radius of 125 feet.

So far, eight nurseries have been infected, and 6.7 million seedlings have been burned. At least 100,000 more seedlings must be destroyed due to this disease. However, the full ramifications of the canker will not be seen until the spring, according to a spokesperson for a special commission set up by the Florida Department of Agriculture and Consumer Services in conjunction with the U.S. Department of Agriculture. The canker bacteria grows best during spring when humidity is high. At that time, the commission will be able to tell if they were successful in getting rid of all the canker.

In sum . . .

As Americans demand more nutritious foods in their diets, orange juice will continue to be an increasingly popular product. Because only 55 percent of all restaurants presently serve this beverage, the orange juice market could be tapped by restaurateurs.

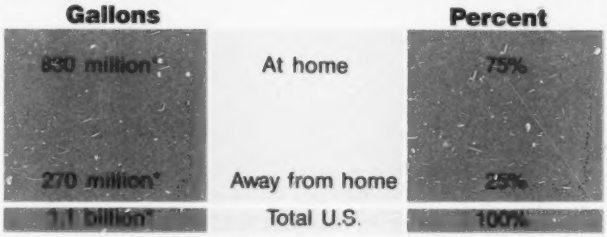
-Susan Adelman

Producer price index for frozen orange juice (1981 to 1984)

Months	1981	1982	1983	1984
January	241.1	312.9	304.0	316.4
February	280.2	337.7	300.8	361.6
March	312.2	334.5	299.6	373.3
April	338.1	326.5	299.1	380.7
May	338.1	315.4	302.3	385.2
June	338.1	308.4	300.7	395.0
July	338.1	308.7	301.0	386.7
August	338.1	307.1	300.8	387.8
September	335.5	307.8	302.4	396.2
October	334.0	307.7	302.5	406.6
November	326.3	307.5	303.8	
December	313.1	303.2	303.9	

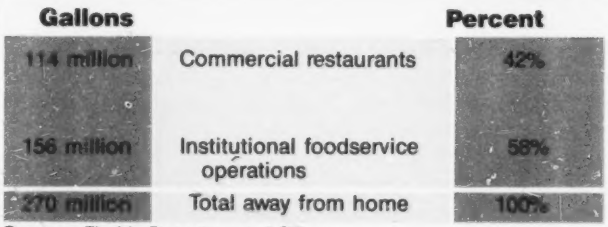
Source: *Producer Price Index*, Bureau of Labor Statistics

1984 orange juice consumption in the U.S.



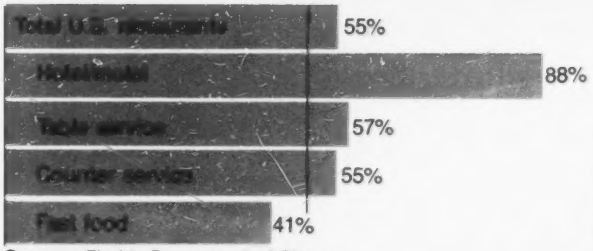
Source: Florida Department of Citrus * Estimates.

Away-from-home orange juice consumption



Source: Florida Department of Citrus

Percentage of restaurants serving orange juice in 1984



Source: Florida Department of Citrus

NRA's Market Research Group discusses market niches

When members of the National Restaurant Association's Market Research Group* met in Portland, OR, last fall, they focused on techniques for identifying market niches and market segments. Areas covered included the need for and use of an information system, how to use advertising research and using weather to predict consumer preferences as well as demographic trends which will affect the restaurant industry during the remainder of this decade.

The need for an information system . . .

Several speakers addressed the need for and use of an integrated information system—a system that takes into account many variables and the possible effects on the marketplace when changes in the variables occur.

Tim Gohmann, director of planning and marketing research at Ponderosa, Dayton, OH, told the group about one way to develop an integrated information system. The steps involved in this process include:

1. Obtain senior management approval and support for the system.
2. Conduct a complete information inventory—what's available, how often is it available, in what format is it available and who has the information.
3. Select data which is valuable.
4. Develop details of the information system—matrix format, software, who is responsible for it, how it can be updated and changed.
5. Initiate a pilot test.
6. Evaluate the pilot test.
7. Get final management approval.
8. Proceed to full-scale application.

Mr. Gohmann emphasized that when developing an information system it is important not to overpromise what it can do and to be sure to get other departments involved.

Other speakers also addressed information systems.

Douglas R. Scott, Ad Factors, Monroe, CT, discussed several ways that information can be used to segment a market, such as usage segmentation (how the product or service is used), user segmentation (who uses it), benefit segmentation (what's important to those who use it) and psychographic segmentation (why it gets used). This type of information can be used to develop site characteristics, menu items and promotions.

Robert J. Siegel, Restaurant Consulting Group, Kenilworth, IL, discussed the need to know not only who the competition is but how many units it has in specific market areas. This information provides insights into market position (share of units, number of people supporting each unit) so organizations can evaluate their development in an area.

Dr. Fred Ward, The Information Professionals, Concord, MA, discussed possible weather effects on restaurant sales and customer counts. Knowing what consumers do when the weather is very hot, very cold, rainy or snowy can help operators develop appropriate products and services and to target their advertising to seasonal needs.

Demographic changes do affect the industry . . .

Two speakers addressed changes in eating out behavior due to demographic changes. Leonard Wood, The Gallup Organization, Princeton, NJ, said that the increase in the incidence of eating out between 1978 and 1983 is due primarily to the increase in the number of women and, in particular, working women who dine away from home. (See accompanying chart.)

Incidence* of Eating Out, 1978–1983

	1978	1983
Total adults	34%	37%
Men	40	42
Women	28	33
Employed full time	35	42
Employed part time	33	37
Not employed	22	24

** Incidence refers to proportion of adults who ate out the day before the survey was taken.*
Source: The Gallup Organization.

Bickley Townsend, associate editor of *American Demographics Magazine*, a monthly magazine that tracks statistical trends, identified seven key demographic trends that are offsetting eating out behavior in this decade. They are:

1. Changing age distribution: aging of the population; the maturation of baby boomers.

2. Changing household composition: more singles; smaller families.

3. The importance of women: changing roles; more working women in higher level occupations.

4. A better educated population: more high school and college graduates.

5. Ethnic diversity: more immigration; changes in places of origin for immigrants.

6. Geographic dispersion: more Americans living in the South and West.

7. Economic segmentation: more dual-income households.

Factors that affect advertising recall, persuasion . . .

Meg Blair of Research Systems Corporation, Evansville, IN, discussed a recent advertising research project that tested factors that can have negative and positive effects on consumer ability to recall advertisements and be persuaded to purchase the product or service.

The single factor most stimulating to recall is the demonstration of the product in use, while information on health and nutrition tends to be forgotten. In terms of persuasion, the most important positive factor is a brand differentiating message while again information on health and nutrition tends to affect persuasion negatively.

—Bette Hoyt

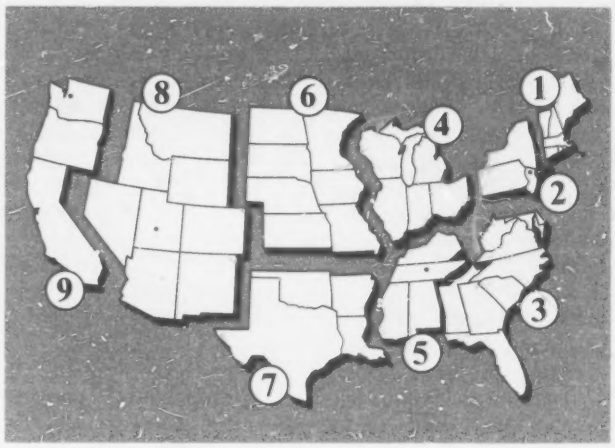
**NRA's Market Research Group is a special group of NRA members who are interested in exchanging information on research techniques and in learning about new research methodologies.*

The next Market Research Group meeting will be held April 10–12, 1985 in Washington, DC. For more information, please contact Bette B. Hoyt at NRA's Washington Office, 311 First St., N.W., Washington, DC 20001.

How's business?

by Cecelia Niepold

Restaurateurs are generally positive about 1985. New Year's resolutions range from getting more members of the community involved in the restaurant to experimenting with new menu items.



1 NORTHEAST

Location: Webster, MA
NRA member: Walt Napierata, Jr.
Operation: Nap's Diner
Profile: Full-service diner
In business: 50 years
Meals served: Breakfast, lunch, dinner
Seats: 80

Business is a little slow, says **Walt Napierata, Jr.,** owner of Nap's Diner. The major industry in Webster is shoe manufacturing, and the influx of less expensive imports has dampened the small town's economy.

Napierata's father opened the diner about 50 years ago, and the restaurant still focuses on serving family-style entrees. Napierata occasionally changes the menu, but the items basically stay about the same "reliable, wholesome American food."

The building itself is about 80 years old. The original marble tops still grace the counters. Many antique dealers have offered to buy the counter tops, but Napierata believes they are an important part of the diner's atmosphere.

2 MIDDLE ATLANTIC

Location: Chester, NJ
NRA member: Louise Blaine
Operation: Larison's Turkey Farm Inn
Profile: Restaurant, farm and gift shop
In business: 11 years
Meals served: Lunch, dinner
Seats: 260

"1984 should be the best year we've ever had," says **Louise Blaine,** general manager of Larison's Turkey Farm Inn. She also anticipates a very good 1985, both for the restaurant and Chester—a small country town about an hour from New York City. Upcoming plans for the restaurant include a new addition.

Larison's Turkey Farm Inn is exactly what the name implies—a restaurant on a turkey farm. More than 3,000 turkeys are raised each year on the 62-acre farm, which also includes other farm animals and a gift shop. The restaurant is located in a restored 1880 farm house and contains authentic Tiffany gas lamps.

The restaurant offers a variety of entrees, but the house specialty is turkey. The range of turkey menu items is extensive and the restaurant cooks more than 25,000 turkeys a year.

3 SOUTH ATLANTIC

Location: Richmond, VA
NRA member: J. Colin Eagles III
Operation: Strawberry Street Cafe
Profile: Neighborhood cafe
In business: 9 years
Meals served: Lunch, dinner, weekend brunch
Seats: 120

Business is on the upswing, says **Grayson Collins,** general manager of the Strawberry Street Cafe. The summer was exceptional—sales stayed 10 percent above last year.

Located in Richmond's historic Fan District, the Strawberry Street Cafe offers a comfortable neighborhood atmosphere. The cafe has developed several unusual features, including an extensive salad bar built into an old four-legged bathtub. The salad bar can easily be a full meal and offers a variety of constantly changing items.

Upcoming plans include a new late night menu and a new design for the current menu. The restaurant plans to use talent from its "own backyard" to perfect its new menu—local art students who work at the cafe will develop the design. Their familiarity with the concept should help create a menu that reflects the restaurant's image.

4 EAST NORTH CENTRAL

Location: Cleveland, OH
NRA member: Donald Strang, Jr.
Operation: Strang Management Corporation
Profile: 3 full-service restaurants
In business: 40 years
Meals served: Lunch, dinner
Seats: 200

Business is going pretty well, maintains **Donald Strang, Jr.,** president of Strang Management Corporation. Although the summer months were a little soft, sales picked up in the fall. The economy in the Cleveland area is "somewhat spotty" but generally seems better than a year ago, he says.

Strang operates three different restaurants in Cleveland, ranging from a traditional establishment in a restored old house to a more casual cafe, but they all specialize in fresh seafood.

One of Strang's successful innovations has been to develop a daily menu. About two-thirds of the entrees are priced daily to allow greater flexibility with fresh and seasonal items. Customers perceive these entrees as being especially good buys since they reflect current market prices.

5 EAST SOUTH CENTRAL

Location: Nashville, TN
NRA member: Amy Kurland
Operation: Blue Bird Cafe
Profile: Neighborhood restaurant with live entertainment
In business: 2½ years
Meals served: Lunch, dinner
Seats: 75

Business has been very good for **Amy Kurland,** owner of the Blue Bird Cafe. Located in a shopping area, the cafe is picking up more lunch business, which is building overall sales. The general economy in Nashville seems to be getting better and better.

The Blue Bird Cafe provides quality casual American food in a comfortable atmosphere. Kurland has developed some unique features, however, which sets her restaurant apart. For instance, the cafe offers a variety of live entertainment, ranging from musical acts to comedians. Desserts are baked on-premise, and premium wines by the glass are also available—uncommon features for a moderately priced cafe.

Kurland's New Year's resolution is to make her restaurant even more of a neighborhood establishment by making the take out menu more accessible for area workers.

6 WEST NORTH CENTRAL

Location: Hays, KS
NRA member: Lloyd Lundy
Operation: Vagabond Motel, Inc.
Profile: Motel, restaurant and coffee shop
In business: 18 years
Seats: Restaurant, coffee shop—100; private club—40; meeting rooms—175
Meals served: Breakfast, lunch, dinner

Business is a little slow, and the competition is getting stiffer, says **Lloyd Lundy,** managing partner of Vagabond Motel, Inc. In general, the economy in Hays, a small agricultural and university town, is pretty good. The town's location on a busy interstate halfway between Kansas City and Denver is bringing additional business into the area as well as more restaurant and motel competition.

The restaurant is connected with the Best Western Vagabond—a 90-room motel—and offers an extensive menu to please both visiting and local guests.

The Vagabond also has a private club, which primarily serves guests. Kansas law forbids selling alcoholic beverages in public establishments, so operations like hotels and restaurants form private clubs to serve their patrons. Membership is necessary for entry in restaurants, but all guests are automatically members when staying at a hotel or motel.

7 WEST SOUTH CENTRAL

Location: Norman, OK
NRA member: Robert Lehman
Operation: Boomerang Restaurant
Profile: Gourmet burger restaurant
In business: 22 years
Meals served: Lunch, dinner
Seats: 120

"Our business is good. November was up almost nine percent," says **Robert Lehman,** owner of the Boomerang Restaurant in Norman—a family and university town 30 miles south of Oklahoma City. Oklahoma's economy is somewhat depressed, mainly because of the oil bust.

Lehman credits his steady business to providing good solid food at moderate prices. The restaurant a self-serve style helps keep overhead costs down.

The Boomerang Restaurant has been serving burgers with a variety of unusual toppings for 22 years, so today's gourmet burger boom doesn't surprise Lehman. His best seller is a burger topped with a made on-premise hickory sauce. The restaurant is also known for its jumbo homemade onion rings.

Although he has tried various sandwiches over the years, the burgers are definitely the best selling items. One recent addition, however, has been a big hit—a charcoaled chicken breast sandwich.

8 MOUNTAIN

Location Boise, ID
NRA member: Bob Copeland
Operation: Trolley House
Profile: Small full-service eatery
In business: 1 year
Meals served: Breakfast, lunch
Seats: 66

Business has been pretty good, says **Bob Copeland,** owner of the Trolley House. A lot of new competition in the area is dampening some restaurant sales, however.

Since taking over the Trolley House a year ago, Copeland has remodeled, the restaurant, which features "good ole American food with a flair." He is also continually changing the menu to add more variety.

Interesting menu items include cod, halibut and tenderloin fingers, which are fried in a special batter Copeland's father created.

Copeland believes Idaho's economy will stay about the same in 1985 with no real peaks or valleys. His own plans include continuing to fix up the Trolley House, possibly opening for dinner early in the year and experimenting with new menu items.

9 PACIFIC

Location: Seattle, WA
NRA member: Julia Miller
Operation: Julia's 14 Carrot Cafe
Profile: Two eclectic restaurants
In business: 11 years
Meals served: Breakfast, lunch, dinner
Seats: Average 75

Business, in general, was down a little after the election, says **Julia Miller,** owner of Julia's 14 Carrot Cafe. However, she's optimistic about future growth in the area, especially if interest rates drop and the lumber industry improves.

Both of Miller's restaurants (one just opened a year ago) offer fairly eclectic menus, including vegetarian dishes, fresh pasta and seafood. She is opening a bakery soon to service both restaurants.

Miller takes advantage of local artists' work and displays different art shows in the restaurants about every six weeks. This not only changes the atmosphere regularly, it also arouses customer interest. Recent decorations included beautiful Thai needlework.

One of Miller's New Year's resolutions is to become more involved with the community. An upcoming project is participating in a local food drive.

FOOD FOR THOUGHT

Customers support two-drink limit

"We've received nothing but positive reactions," says David Weeks of the Weeks Family Restaurant in Dover, NH, about his restaurant's new two-drink limit policy. "As far as I can tell, people are concerned, and they are ready for stiffer laws and restrictions."

What prompted Weeks to put a cap on drinking at his family-style New England dinner house was his concern for drunk driving. "We are in a location where every one of our customers has to drive to eat here," he says. "And as a holder of liquor license, I think we have to become far more responsible." Weeks has received letters of appreciation from all over the country.

—***NRA NEWS*** interview

Pizza on patrol

The Rascal House in Cleveland, OH, is doing its part to protect its customers. Owner Michael Frangos has hired off-duty policemen as security officers at his pizza parlor/rock video club near the Cleveland State University to cut down on the number of prostitutes and drug dealers who hang around the neighborhood.

To deter vandals and car thieves, Frangos gave his two pizza delivery drivers two-way radios so they could report anything suspicious to the restaurant's security guards. The drivers, who are not policemen, are on the road from 10 a.m. to midnight, and they have reported a number of activities, mostly suspected car thefts.

"The radio helps," says Rascal House Manager Robert Chorba. "But just the truck pulling up and stopping and turning on the lights and making a lot of noise and commotion often is enough for the suspects to take off."

—*Washington Times*

Acting on faith

The price of the meal is in the customer's hands at Juliano's La Casa de Pasta Restaurant in Warrendale, PA. For any item on the menu—and the range goes from lobster and rib eye steak to fetuccini with garlic butter—the customer determines the worth of the meal and pays that price.

It's a new system for the 15-month old restaurant, which shifted to the no-price structure at the beginning of last December. The inspiration for the change came from owner Jerry Juliano's religious beliefs. "I trust the Lord to meet my needs," he says. "And the lesson for me is that people do pay as fair as they can. Some people underpay slightly; others overpay . . . but it all evens out. . . . "

When asked to explain, Juliano points to his fettucini dish which comes with two meatballs, two slices of bread and a salad bar. He says that he had previously priced the dish at $5.50. Now some customers pay $5.00; others pay $6.00. And it evens out. Has anyone tried to leave a dollar or walk away without paying? No, says Juliano. "People are really good about it."

—***NRA NEWS*** interview

Taking in the homeless

For three days during the Christmas holidays, Les Nieces Restaurant in Washington, DC, served free turkey dinners to as many homeless people as possible. "We can't do it for the whole year, but we can at least do it for the weekend," says Melvin Lewis, the restaurant's chef.

The restaurant, which seats about 50 people, started serving the dinners on December 23 to residents of an 800-bed shelter run by the Community for Creative Non-Violence, a homeless rights advocacy group.

Groups of shelter residents were bused between the shelter and restaurant every 40 minutes between 2 p.m and 6 p.m. The menu included turkey, mashed potatoes, candied yams, green peas and a relish tray. The three days of feeding cost Les Nieces about $1,500.

—*Associated Press*

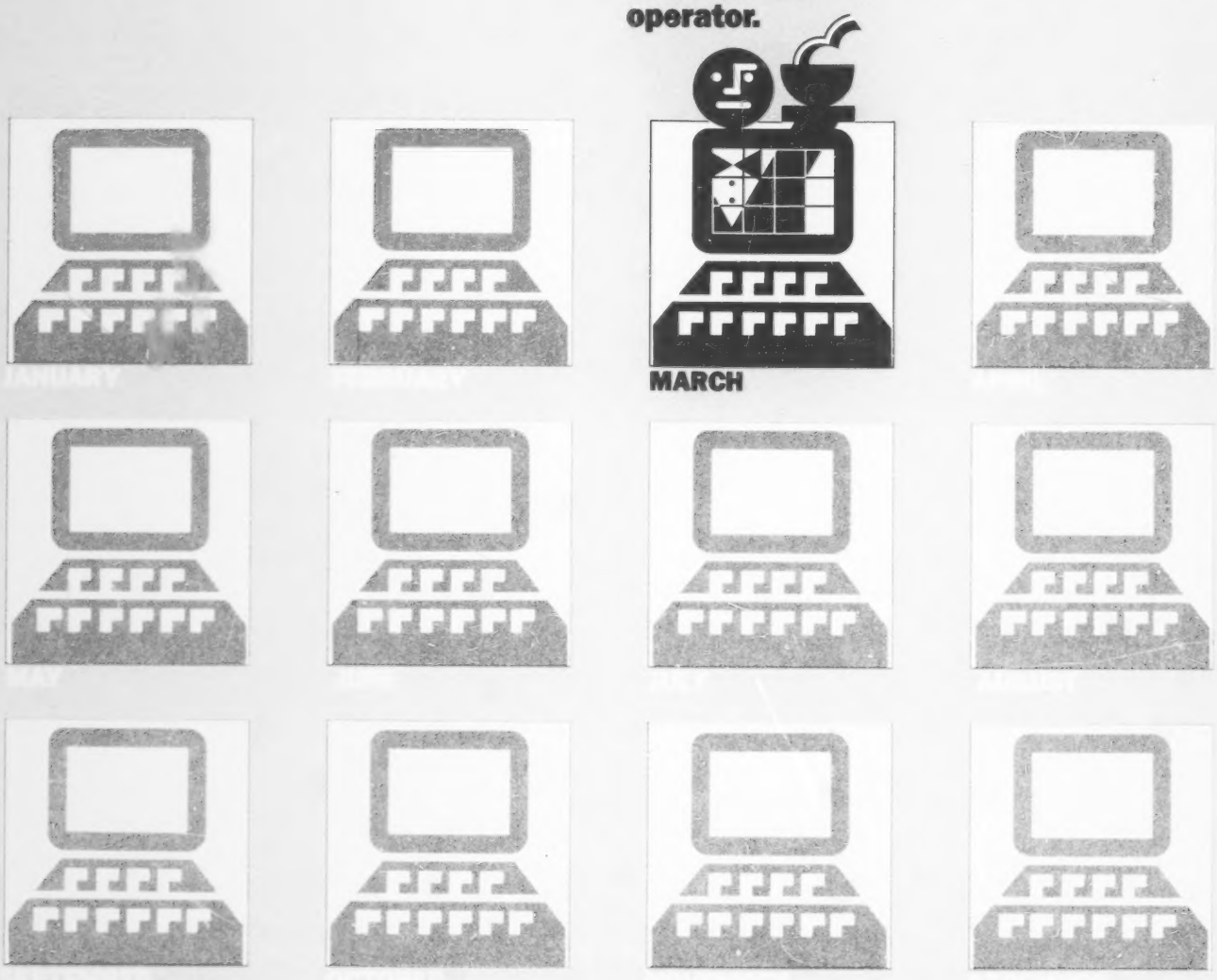
Eating habits continue to change

It's thumbs up for low-calorie foods and thumbs down for convenience foods, processed meats and snacks, according to a recent survey of 3,700 people by Warwick Advertising. When asked about their eating habits since 1983, the sample gave the following responses:

- 42 percent said they eat more low-calorie foods; 9 percent said they eat less low-calorie foods
- 40 percent said they eat less convenience foods; 18 percent said they eat more convenience foods
- 39 percent said they eat less processed meats; 13 percent said they eat more processed meats and
- 48 percent said they snack less often; 8 percent said they snack more often.

—*USA Today*

Of all the computer forums offered every year, there is just one designed for you—the busy foodservice operator.



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NRA'S **COMPUTERS IN FOODSERVICE** can speed up that process.

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Day one will focus on point-of-sales equipment and electronic cash registers.

Day two will zero in on back-of-the-house systems, then take a look at the applications of personal computers in foodservice.

Day three will feature seminar programs on customer software and multi-unit computer applications. Also, during the final day of the conference, a group of operators will provide a well-rounded perspective on areas crucial to foodservice computer operations.

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